

# ROAD MAP FOR NATIONAL SECURITY

## ADDENDUM ON STRUCTURE AND PROCESS ANALYSES



Volume I - Key Observations  
and Overarching Processes

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**United States Commission  
on  
National Security/21<sup>st</sup> Century**

**April 15, 2001**

**National Security Study Group**

**assisted by**

**Booz·Allen & Hamilton**

## Foreword

The U.S. Commission on National Security/21<sup>st</sup> Century (USCNS/21) was chartered to review in a comprehensive way U.S. national security requirements for the next century. It began in Phase I by describing the future security environment this nation should anticipate, and in Phase II it delineated a strategy to address that future—to cope with the challenges and seize the opportunities that will constantly confront this great nation. Phase III was focused on changes to the national security apparatus, its structures and process, with an aim toward redesigning it as necessary to succeed in the security environment that lies ahead.

The Commission anticipated that it could not make credible recommendations to improve the national security apparatus without first understanding how that apparatus functioned—thus this Addendum. The firm of Booz·Allen & Hamilton assisted the USCNS/21 in conducting this research and began working with the Commission in July 1999. This Addendum provides a thorough description of this country's national security organizations and processes as they existed in mid-2000. It must be recognized that such large organizations and complex processes are inherently in a state of constant evolution—even more so during transitions of Administrations.

This Addendum offers important observations and documents numerous problem areas, some of which are major concerns. Some of these problems have been around for decades. We do not claim “discovery” of them, but we exercise the prerogative of considering problems from the perspective of future security requirements. The Commission’s focus through all three phases of its work has been on the future, and it has avoided dwelling on the past. Although this Addendum should not be misconstrued as a “report card” on current or past organizational performance, it will identify certain historical problems that should no longer be tolerated, which result from our Cold War-optimized system. Thus problems must be used as evidence to argue for the redesign of certain institutions and processes.

Before institutional redesigns could occur, or before road maps could be constructed to get the national security apparatus headed in the appropriate direction, this Commission needed to understand how the government was structured and how it went about the business of national security. The seven volumes contained herein analyze key organizations and processes throughout the Federal government, to include the interagency and inter-branch levels. This Addendum provided a “baseline” of the national security apparatus, and was completed in draft form by the summer of 2000 as the Commission’s main Phase III effort began in earnest. It thus laid much of the groundwork for Phase III. The first volume was updated and reedited in February and March 2001. The other volumes remain as originally written. No product has been previously produced that describes the national security structures and processes of the U.S. government in such detail. It should be useful to researchers and professionals seeking a detailed analysis of the national security system.



Charles G. Boyd, General, USAF (Retired)  
Executive Director

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## PREFACE

### NATIONAL SECURITY PROCESSES AND ORGANIZATIONS: THE FUTURE ENVIRONMENT AND STRATEGY

#### 1. Introduction.

This is the first volume of a seven volume Addendum that describes U.S. national security organizations and processes, as of mid-2000.<sup>1</sup> This volume identifies how the interagency and inter-branch process is currently meeting the challenges of the first quarter of the 21<sup>st</sup> century. It also highlights significant gaps and seams in current organizations and processes. It provides a detailed description of overarching interagency and inter-branch processes for *national security strategy and policy development*, for *planning and implementation of national security strategy and policy*, and for *national security resource allocation*. Finally, this volume contains a user's guide for the remaining volumes.

Volumes II through VII describe the organizations and processes selected by the U.S. Commission on National Security/21<sup>st</sup> Century. Each volume begins with a preface and each chapter within each volume is organized in a common format to permit comparison of structures and processes across the government. (See Chapter 3 entitled "Organization and Reader's Guide" of this volume for a detailed organization of the Addendum.)

In general, current national security organizations and structures are founded on the National Security Act of 1947, subsequent amendments, the Goldwater-Nichols Act of 1986, Congressional rules, and a host of Presidential, Department, and Agency directives. Organizational processes and structures have evolved over the years to adapt to changes in threats and security challenges. The current structure was designed to meet the challenges and demands of the Soviet threat and the Cold War. It is a credit to the flexibility of the system—and the people who made it work—that this national security apparatus has remained relatively effective throughout a decade of significant change since the end of the Cold War.

Yet we now have more than a decade's worth of experience in assessing and dealing with the post-Cold War environment and a preview of the security challenges for the 21<sup>st</sup> century. That is enough information with which to assess how the system might change to improve its value for the future.

#### 2. The Future Security Environment.

The U.S. Commission on National Security/21<sup>st</sup> Century assessed the major themes and implications of the future security environment in *New World Coming: American Security in the 21<sup>st</sup> Century*. The Commission's Phase I report reached 14 conclusions regarding the security environment of the first quarter of the 21st century:

- A. America will become increasingly vulnerable to hostile attack on our homeland and our military superiority will not entirely protect us;

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<sup>1</sup> The research for this Addendum was baselined on the second Clinton Administration. The Administration of President Bush, as expected, has slightly altered the interagency system and processes described herein. See National Security Presidential Directive (NSPD)-1, "Organization of the National Security Council System," (Hereafter cited as NSPD-1).

- B.** Rapid advances in information and biotechnology will create new vulnerabilities;
- C.** New technologies will divide the world as well as draw it together;
- D.** The national security of all advanced states will be increasingly affected by the vulnerabilities of the evolving global economic infrastructure;
- E.** Energy will continue to have a major strategic significance;
- F.** All borders will be more porous and some will bend and some will break;
- G.** The sovereignty of states will come under pressure, but will endure;
- H.** Fragmentation or failure of states will occur, with destabilizing effects on neighboring states;
- I.** Foreign crises will be replete with atrocities and the deliberate terrorizing of civilian populations;
- J.** Space will become a critical and competitive military environment;
- K.** The essence of war will not change;
- L.** U.S. intelligence will face more challenging adversaries, and even excellent intelligence will not prevent all surprises;
- M.** The United States will be called upon frequently to intervene militarily in a time of uncertain alliances and with the prospect of fewer forward deployed forces; and
- N.** The emerging security environment in the next quarter century will require different military and other national capabilities.<sup>2</sup>

This environment contains several common threads that will prove challenging to existing security processes and organizations. New security challenges will expand the portfolios of traditional agencies and actors and require greater integration of effort. They will demand a national security strategy, attended by policies, plans, and responses of a more complex nature and a more encompassing character than the past. Future security challenges will also have a more global character and require the participation of the U.S. private sector, coalition allies, and international organizations, as well as government activities. Taken together, the new challenges will require new levels of interagency cooperation on strategy and policy development, planning and implementation actions, and resource allocation.

Technology will provide the national security organizations and processes with new opportunities and capabilities, just as it will introduce new vulnerabilities. The introduction of advanced information and communications technologies into our national security processes and

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<sup>2</sup> United States Commission on National Security/21<sup>st</sup> Century. *New World Coming: American Security in the 21<sup>st</sup> Century, Major Themes & Implications*, September 15, 1999. pp. 4-7.

organizations is still in the early stages and has been employed on an *ad hoc* basis. However, it is already clear that ready access to detailed information from a wide range of sources, and the ability to communicate around the globe quickly can produce “information overload,” unbalance old processes, and introduce the temptation to centralize and micromanage operations hierarchically. Nevertheless, the value of technology, information, and communications has been clearly demonstrated in recent crises.

Finally, the changing nature of the national security environment and the expanded scope of actions necessary to meet the rapidly changing environment suggest that new skill sets will be required. The government will need access to a broad and changing base of expertise to meet the demands of the 21<sup>st</sup> century security environment. In acquiring much of this expertise, it will be in direct competition with the private sector and, in both recruiting and retention, may be hampered by legal requirements imposed during the previous era.

### **3. A New National Security Strategy**

The U.S. Commission on National Security/21<sup>st</sup> Century proposed a new national security strategy to meet the needs of the future security environment described above. In *Seeking A National Strategy: A Concert for Preserving Security and Promoting Freedom*,<sup>3</sup> the Commission’s Phase II report articulated America’s survival, critical, and important national interests, established a future strategy for the United States—a concert for security and freedom—and developed six key objectives and policies to attain those objectives. These objectives were:

*First*, the preeminent objective is “to defend the United States and ensure that it is safe from the dangers of a new era.” Achieving this goal, and the nation’s other critical national security goals, requires the U.S. government, as a *second* key objective, to “maintain America’s social cohesion, economic competitiveness, technological ingenuity, and military strength.” A *third* key objective is “to assist the integration of key major powers, especially China, Russia, and India, into the mainstream of the emerging international system.” The Commission’s *fourth* key U.S. objective is “to promote, with others, the dynamism of the new global economy and improve the effectiveness of international institutions and international law.” The *fifth* key objective is “to adapt U.S. alliances and other regional mechanisms to a new era in which America’s partners seek greater autonomy and responsibility.” The *sixth* and final key objective inheres in an effort “to help the international community tame the disintegrative forces spawned by an era of change.”

The implications of both Phase I and Phase II are that the current national security apparatus does not possess the capabilities required for the future, nor are its organizations optimized to execute a national security strategy consistent with the evolving security environment.

The strategic framework outlined in Phase II for U.S. national security differs from the Cold War habits of the past half-century. It makes the political and socio-economic components of national security strategy nearly co-equal with the military, and it takes cultural and

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<sup>3</sup> United States Commission on National Security/21<sup>st</sup> Century. *Seeking A National Strategy: A Concert for Preserving Security and Promoting Freedom*, April 19, 2000.

informational aspects of national security seriously. It is focused as much on opportunities as on threats. It demands innovation in all components of strategy.

The means and manner of operating U.S. national security structures and processes must keep up with how the wider world, including U.S. society, will be working in the first quarter of the 21<sup>st</sup> century. In that wider world we will see a marked decline in basic costs as information and other technologies vastly improve productivity. This will be most prominent in societies that enjoy the human and financial capital and the supportive socio-political systems to take best advantage of new techniques. If the various agencies of the U.S. government do not avail themselves of the same techniques of economy and efficiency, they will fall dangerously out of sync with the rest of the country, with much of the world, and with the problems and opportunities generated by both.

**M**indful of the need for the structures and processes of national security to be adequately juxtaposed to the world we face, and with the kind of society America is becoming, the Commission envisioned seven criteria for considering the U.S. national security apparatus as a whole.

**A.** The U.S. government needs adept means for *strategic anticipation* of national security challenges. This requires the best possible system of intelligence, from collection to analysis to dissemination to policy review

**B.** The U.S. government needs to enhance its capacity for wise *strategic calculation* about when to intervene, what instruments of national power are most appropriate for interventions, and what are the possible consequences.

**C.** The U.S. government needs to ensure a *strategic fusion* of all appropriate instruments of national power, to integrate the many dimensions of its international action.

**D.** The U.S. government needs greater *strategic agility* so that its decisions and processes are flexible and rapidly adapt to changes in the global environment.

**E.** The U.S. government needs greater *strategic breadth* to deal with the wide range of new challenges, the blurring of lines between types of conflicts and forms of warfare, and between military and non-military capabilities.

**F.** The U.S. government must do better at *strategic assessment*, by which we mean the constant monitoring of performance and drawing lessons from experience.

**G.** The government needs *strategic coherence*, by which we mean a better sense of the relationship between domestic conditions and the efficacy of U.S. actions abroad.

#### **4. Overview of Study Process and Methods.**

While providing an analysis of the then current “baseline” national security apparatus as of the year 2000, it is equally important to understand what this Addendum *does not provide*. It is a process and structural assessment, not an efficiency or effectiveness assessment. Neither is this Addendum an in-depth leadership or cultural analysis along the lines of the “McKinsey Seven S” format.<sup>4</sup> Alternatively, some organizational descriptions and some obvious efficiency and effectiveness problems were captured as “low-hanging fruit” in various sections of the Addendum.

As research began on this project, it became evident that organizations involved in national security often lacked common standards of what constituted “key processes,” “structures,” or “core competencies” and a host of other definitions. Because a common approach was deemed necessary for a consistent analysis of processes and structures, the Commission and Booz·Allen & Hamilton (BAH) were forced to develop and apply common definitions. These may be found in Attachment 1 and Attachment 2 to Chapter 3 of this volume. Organizations may disagree with the categories and classifications used in our methodology, but the need for consistency was a self-apparent driving factor in this analysis.

Because the Addendum examines the “state of play” as of mid-2000, it looks at what today’s organizations *are doing*. It generally avoids getting into what they *should not be doing*, or conversely, what they *should be doing instead*. In a similar fashion, the Addendum does not examine what structures should exist or be dismantled, nor does it propose new structures or processes. Such recommendations are found in the Commission’s main Phase III report.<sup>5</sup>

While “gaps and seams” in mission responsibilities are not the primary focus of this Addendum, their existence is important to highlight. Redundancy and overlap between organizations, as well as greatly diffused lines of authority, responsibility, and accountability generally point to “gaps and seams.” These generally lead to the creation of “patches” or “workarounds,” and the migration of functions and power to different organizations that would seem to lie outside their traditional core competencies.

To these ends, Chapter 1 serves as an “Executive Summary” for all seven volumes by providing a set of key observations concerning challenges and gaps and seams, as pinpointed in current national security processes and organizations. It identifies problems that were eventually developed into the Commission’s Phase III report. Chapter 2 contains a detailed description of the overarching interagency and inter-branch processes by which strategy and policy are developed and implemented and resources are allocated. Chapter 3 of this volume describes the overall organization of the Addendum and serves as a “Reader’s Guide.” Lastly, because of the

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<sup>4</sup> The “McKinsey Seven S” framework is a widely used process of management analysis and business strategy implementation that focuses on: Strategy, Structure, Systems, Style, Staff, Shared values, and Skills. See, Thomas J. Peters and Robert H. Waterman Jr., *In Search of Excellence*, (New York: Harper & Row, 1982)

<sup>5</sup> U.S. Commission on National Security/21<sup>st</sup> Century, *Road Map for National Security: Imperative for Change*. The Commission’s Phase III report was posted on January 31, 2001 at [www.nssg.gov](http://www.nssg.gov), and published on March 15, 2001.

mid-2000 timeline when this Addendum was drafted, any use of the word “current” in this volume or subsequent volumes that does not reference a particular Administration should be considered as applying to the second Clinton Administration.

# **Chapter 1**

## **KEY OBSERVATIONS**



*Prepared for the U.S. Commission on National Security/21<sup>st</sup> Century*

## KEY OBSERVATIONS

### 1. Background.

**D**uring the conduct of our research on national security processes and organizations, the U.S. Commission on National Security/21<sup>st</sup> Century (USCNS/21) and the firm of Booz·Allen & Hamilton (BAH) collected and analyzed information provided by the organizations themselves, and interviewed numerous current and former government officials and independent observers—some on a non-attribution basis. The assessment also examined organizational values, cultures, leadership traditions, staff attributes, and internal strategic objectives, but not to great depth. The results were then catalogued to identify important trends, challenges, gaps, and seams in both processes and organizations. Specifically, the Commission was interested in problems that included the misalignment of functions and/or responsibilities, and conflicting or blurred jurisdictions or gray zones where no particular agency had responsibilities for an emerging security challenge, as identified in Phase I and/or Phase II.

While each chapter in Volumes II through VII contains a section that provides observations relative to the individual organization, a number of observations are overarching and have broad application. These are contained in this chapter and meet the following criteria:

- Trends common to several Departments and/or Agencies;
- Problems that have emerged since the end of the Cold War; and
- Gaps that may occur in meeting the challenges of the 21<sup>st</sup> century.

### 2. Key Observations—Policy and Strategy Development and Implementation.

**S**everal processes are used to develop and implement policy and strategy, including the basic interagency process described in Presidential Decision Directive (PDD) 2 and supplemented by other PDDs and Executive Orders that assist the National Security Council (NSC), the National Economic Council (NEC), and other Executive Branch participants. Congress has its own set of rules for providing oversight of development and implementation processes. All of these are described in the succeeding chapter and in other volumes of this Addendum. During the assessment, seven overarching observations emerged in this category.

**A. The National Security Council Staff. The NSC staff has taken on an increasingly larger role in the development of national security policy.** This may or may not be a problem, depending on the observer's perspective. The Assistant to the President for National Security Affairs (APNSA)—also called the National Security Advisor—has a dual role. First, the APNSA functions as an honest broker. He ensures that Departments and Agencies develop options, that the interagency process evaluates options, and that results are objectively presented to the President. Second, the APNSA provides advice to the President in conjunction with cabinet officials and other advisors. The NSC staff supports the APNSA in these roles. According to veteran national security process participants, the NSC staff functions best when it encourages the development of a broad range of options, and then integrates “best of breed” policy and strategy proposals. Often, NSC staffs move beyond integration and coordination functions, and

when this occurs the interagency system can become less effective, especially if the NSC staff becomes dominant and centralizes processes around itself.

The balance of power between the NSC staff and the Departments that comprise the NSC system has ebbed and flowed over time, of course, but by mid-2000 there was a trend toward centralization.<sup>6</sup> On one hand, it may be appropriate to elevate important strategy and policy development to the highest echelons, but in doing so, access to a broad range of knowledge, expertise, and options is often overridden. Centralization in this fashion may adversely affect integration—something that appears necessary to deal with 21<sup>st</sup> century challenges—especially if some players are cut out. Although senior personalities play key roles in power shifts and are often responsible for allowing them to occur, the NSC staff has several attributes that enable it to move in this direction.

Foremost, the NSC staff is relatively small (about 200 members under the Clinton Administration compared to over 500 for the Office of Management and Budget (OMB)) and nonhierarchical. It also has ready access to a broad range of information that is not uniformly available to the Departments and Agencies. Because it also has relatively easy access to the President, it can influence his view of the world and can often claim to know his mind and policies better than other interagency players—something that can be intimidating and lead to diminished roles for Departments and Agencies. In short, the NSC staff is powerful, responsive, and agile and can quickly move to fill policy and strategy vacuums—even temporary ones—with a measure of authority. Additionally, unlike NSC Principals, Deputies, and the members of Interagency Working Groups (IWG),<sup>7</sup> the staff can often focus more intensely on important issues because it is not burdened with the concurrent tasks of managing the daily operations of the Departments. This situation was not unique to the Clinton Administration.

There seems to be a general trend to centralize and escalate the level of strategy and policy decision making over the life of an Administration, especially when the National Security Advisor is a dominant player. It appears that a greater number of decisions are made by a smaller group of individuals near the apex of the power pyramid as Administrations mature. At the beginning of any Administration, the NSC staff is dependent on the Departments and Agencies for information and continuity. However, while the NSC staff almost always depends on others for detailed analyses, it acquires new sources of information, learns how to exploit existing sources more fully, and often develops an independent body of knowledge to frame decisions over time. Often, the most significant check on the NSC staff is that many of its members will eventually return to the Departments and Agencies that detailed them to the NSC in the first place.

As policy and decision making migrate upward in interagency dealings, it appears that decision making within individual Departments and Agencies also becomes more centralized, and issues are resolved at more senior levels. When this occurs, decision makers frequently bypass staff experts (who are often better able to frame decisions and develop options and who

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<sup>6</sup> The term “NSC staff” is used to differentiate between the staff that works for the President’s National Security Advisor and supports the NSC and the NSC itself whose members and statutory advisors are all senior government officials—often with cabinet rank.

<sup>7</sup> The term “Interagency Working Group” is used throughout this Addendum. However, we recognize the current Bush Administration has eliminated IWGs and replaced them with regional and functional Policy Coordination Committees (PCCs). See NSPD-1. In fact, the general thrust of NSPD-1 and the new Bush Administration has been to reinstate the policy coordination role of the NSC Advisor and staff, and to remove the NSC from its previous implementation role.

better understand implementation details and implications) and instead rely on their personal staffs to prepare for decision meetings. This can make the transition from policy and strategy development to policy and strategy implementation troublesome. On the other hand, senior decision makers often emphasize the point that by pushing decisions further up the chain they can avoid bureaucratic squabbles, limit “leaks,” enhance objectivity, and come to grips with the central issues sooner. There are times when this approach is preferable; however, if it becomes too routine, decision options and implementation concepts are likely to suffer.

Although technically responsible only for *coordination* of a wide range of opinion and judgments, in a bureaucratic environment that tends toward centralization, the NSC staff at times seizes strategy and policy development initiatives. This occurs most often when issues cross Department and Agency boundaries and/or when senior Department officials do not appear to accord the issues high priority. There also appears to be a tendency for the NSC staff to assert dominance when issues involve new challenges and threats (e.g., counter-terrorism and critical infrastructure protection).

The fundamental implications of the rise of NSC staff authority in policy and strategy development are not yet clear. One can make a case that by acting as it does, the NSC staff employs some of the techniques of cross-functional and product integration teaming that have proven successful in commercial enterprises. At the same time, by exerting its authority, the NSC staff may intimidate or override other interagency players. When this occurs, other players may defer to NSC staff positions and judgments even though they have valuable contributions to make—or worse, the NSC staff may not consult them, or may do so on terms that are unfavorable to non-NSC staff players. The quality of options can suffer as a result. In the same vein, decision making in Departments and Agencies may migrate toward upper levels because senior officials may believe that is necessary to deal effectively with the NSC staff. Or, interagency players may resort to informal processes to end run the NSC staff entirely.

What seems clear, however, is that because the NSC staff is at the nexus of information sources in an age when information is extremely valuable, it may continue to encroach on strategy and policy development areas that are traditionally the province of Departments and Agencies. Given its size, the extent to which it moves away from traditional strategy and policy coordination and into strategy and policy development and implementation is likely to impact its effectiveness, affect coordination and integration, and change the way Departments and Agencies make decisions. A fundamental issue, then, is whether the NSC staff should be made more robust to allow it to perform development and implementation functions more effectively, or kept relatively small with a more stringent mandate to focus on coordination, integration, and management of the interagency process. The former option clearly raises issues of authority, responsibility, and accountability at the NSC level.

**B. Interagency Planning. The current national security structure is not optimal for interagency planning or the integration of the capabilities and efforts of multiple agencies.** The nature of the security environment and threats of the 21<sup>st</sup> century put a premium on detailed and reasonably expeditious planning, and on sustained, integrated interagency actions. For example, the military and diplomatic planning for Operation Allied Force—the Kosovo response—began in earnest almost a year before military operations were initiated. Operations involving coalitions and international organizations require significant advanced negotiations and preparations before they can be undertaken.

The NSC and NEC staffs are simply not structured or resourced to conduct the detailed planning necessary to meet complex challenges. They are manned to coordinate and provide planning guidance. Yet the current security environment—and that envisioned for the future—place demands on these staffs that they were never intended to meet. The effect of rapid global communications—including worldwide near-real-time news coverage—has shifted much of the emphasis to a crisis-of-the-day mode of operations at the expense of longer-range strategy and policy development. This communications phenomenon is a permanent reality in world affairs and may even increase throughout the first quarter of the 21<sup>st</sup> century.

Given these demands, it seems reasonable that the larger staffs within the Departments and Agencies would do the sort of analysis and information exchange and synthesis that characterizes effective planning regimes. However, many of them do not consider planning a key responsibility or they lack the resources to do it effectively. Conversely, others (e.g., the Joint Staff within the Department of Defense) traditionally have not considered it necessary to share or coordinate contingency plans with other key players in the national security arena until a crisis actually unfolds.

With few exceptions (notably the Department of Defense (DoD), the Federal Emergency Management Agency (FEMA), and the Centers for Disease Control (CDC))<sup>8</sup> Executive Branch Departments and Agencies lack the training, the experience, the resources, and the cultures to conduct long-range contingency planning. And, as long as the NSC and NEC staffs are focused on current crises or policy and strategy development, there is no top-level body that can coordinate interagency planning on the scale necessary. While there have been times when the interagency has responded effectively and with alacrity, that performance might have been improved had integrated planning preceded it. The next time, a quick effective response may be required with little time for lengthy working sessions. The nature of the future security environment appears to require advanced, integrated, collaborative planning and organized interagency responses beyond what is possible under the current interagency system.

Complicating the equation is the lack of formal planning guidance and the processes that produce it, which offer the opportunity to exchange views and assess options. At present, there is no integrating link between the National Security Strategy, the policies and strategies developed within the NSC and NEC processes, and the development of implementing plans and budgets within the Departments and Agencies. The President, with the advice of the NSC staff, approves the Contingency Planning Guidance. This document directs the development of DoD contingency plans, but does not require other national security entities to participate in the process. There is, in short, no National Security Planning Guidance to direct planning efforts or Presidential priorities across the government.

To meet the demands of the 21<sup>st</sup> century, national security processes must facilitate the planning and conduct of operations in an integrated fashion. Not every Department and Agency will be involved every time, but responses should be drawn from a wider set than in the past. DoD has recently taken a first step toward integrated planning by developing interagency annexes to Defense Department contingency plans, and PDD 63 directed the development of an

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<sup>8</sup> It is noteworthy that FEMA has developed an excellent system to promote interagency planning that focuses on disaster and emergency response. FEMA's system might serve as a model for other types of interagency planning. See Chapter 19 in Volume VII.

integrated National Infrastructure Assurance Plan.<sup>9</sup> However, a more comprehensive approach will be necessary, including new, disciplined formal processes; better oversight of interagency planning and implementation; and more effective accountability measures. Given the current size of the NSC and NEC staffs and their workloads, getting the most out of available capabilities and resources may require establishing new activities that can manage the planning process while leaving the NSC and NEC staffs free to coordinate policy and strategy.<sup>10</sup>

**C. Economics and National Security. The 21<sup>st</sup> century security environment requires closer integration of economic strategy and policy with more traditional security and foreign policy activities.** Every President in the post-war period has sought to ensure that international political and security perspectives are integrated into the making of international economic policy and that, vice-versa, economic goals are factored into national security policy making. Various Presidents have established diverse processes and entities to accomplish these tasks. During the Kennedy and Johnson Administrations the Deputy Assistant to the President for National Security Affairs managed economic issues. The Nixon Administration set up the Council on International Economic Policy as a result of Europe's and Japan's increasing economic competitiveness. It was followed by the Council on Economic Policy (CEP) and the Economic Policy Board, in the Ford Administration; the Economic Policy Group, in the Carter Administration; the Economic Policy Council, begun in the Reagan Administration and continued through the Bush Administration.<sup>11</sup>

At the beginning of the Clinton Administration, the confluence of economic and national security issues was addressed by the creation of the National Economic Council (NEC) by Executive Order 12835 in 1993. The NEC has not yet been codified in law as the NSC has. It must perform its functions with a staff that is much smaller than that of the NSC<sup>12</sup> and without the legitimacy provided by law and Presidential Directives.

As noted in the following chapter of this volume, the NEC employs processes similar to those used by the NSC, and it continues to evolve both organizationally and in terms of its relationships with other activities. Given the growing importance of economics in national security and foreign policy and the blurring of international and domestic economics, there appears to be a need for closer integration of economic policy development and planning in policy and strategy development and implementation. While the NSC and NEC currently (mid-2000) conduct joint meetings on some issues and share some staff members, it is not clear at this point how future responsibilities and relationships should be integrated. In fact, the NEC may dissolve with the change in Administrations, leaving a function that is likely to be filled by members of the NSC staff and/or appropriate Departments and Agencies.

The NEC performed an important but limited role in the Clinton Administration. Senior NEC members indicated that they quickly realized the importance of interagency processes as the key to influencing policy. The NEC shouldered the task of raising the economic aspects of national security to the same levels as the diplomatic and military factors. It is uncertain whether an integrated NEC/NSC staff or separate staffs on equal footing are best suited to meet future

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<sup>9</sup> Presidential Decision Directive (PDD) 63: "Critical Infrastructure Protection (CIP)." 22 May, 1998.

<sup>10</sup> Such a mechanism might include the creation of an interagency contingency planning center.

<sup>11</sup> I.M. Destler, *The National Economic Council: A Work in Progress*, (Washington, DC: Institute for International Economics, November 1996), p. 6. (Hereafter, Destler.)

<sup>12</sup> The NEC staff averages fewer than 30 members, compared to over 200 for the NSC and over 500 for OMB.

challenges, but it is clear that international and domestic economic factors will need to be more closely integrated into all national security processes. In any event, this will likely entail closer ties between the Treasury Department—which remains the main player on economic and financial issues—and the national security apparatus.

**D. The State Department. The Department of State (DoS) does not function in an effective manner, nor is it organized or resourced to meet current or future global security challenges.** The State Department fulfills a key role in the national security process. The Constitution assigns the Secretary of State the role of “principal adviser to the President” in foreign policy and the National Security Act of 1947 made the Secretary a statutory member of the National Security Council. Recent studies have addressed the Department’s ability to meet the demands of 21<sup>st</sup> century national security challenges. There is a perception that the Department has not fully adapted to a new international environment marked by advanced information technology, globalization, and the rise of new actors, such as corporations, international organizations, private-voluntary organizations (PVOs) and citizens’ groups.<sup>13</sup>

In the course of the USCNS/21 assessment, interviews surfaced three major problem areas affecting the State Department’s capacity to contribute to the national security environment in the 21<sup>st</sup> century. They are: inadequate funding; a disconnect between policy-making and program and resource planning, and inadequate personnel policies. In addition, USCNS/21 staff’s own research and analysis leads the Commission to conclude that the structure of the Department is not conducive to effective integration of regional and functional policy issues. These findings and conclusions are discussed in more detail below.

**(1). Securing adequate resources.** The State Department is constrained in its ability to reform itself by the limited resources it controls. The International Affairs (Function 150) portion of the President’s budget request for FY 01 is \$22.8 billion. To put this amount in perspective, it is the equivalent of slightly over one percent of the entire Federal budget. In addition, the International Affairs Budget funds a total of 14 agencies with jurisdiction over international programs, so that only 25 percent of the International Affairs budget, approximately \$6.5 billion, will go to the State Department, while the rest will fund other Departments and Agencies ranging from DoD to Agriculture.

Funding for the State Department budget has declined by 20 percent over the past 20 years, even as the U.S. involvement abroad has increased.<sup>14</sup> U.S. foreign affairs funding has also gone to support new peace initiatives in the Middle East, even as the U.S. has cut back on other foreign support. Declining funding has contributed to what a number of recent studies have identified as a “performance gap” or “disconnect” in the ability of U.S. diplomatic structures to respond to shifting international requirements.<sup>15</sup>

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13 A number of recent studies have addressed the implications of globalization and new security challenges on American diplomacy. Each of these studies provided specific recommendations for improvement. See, for example: *Financing America’s Leadership: Protecting American Interests and Promoting American Values*, (Council on Foreign Relations Press, 1997) (hereafter, *CFR/Brookings Report*); *Reinventing Diplomacy in the Information Age*, (Center for Strategic and International Studies, December 1998) (hereafter, *CSIS Report*); *Equipped for the Future: Managing U.S. Foreign Affairs in the 21<sup>st</sup> Century*, (The Henry L. Stimson Center, October 1998) (hereafter, *Stimson Center Report*); *America’s Overseas Presence in the 21<sup>st</sup> Century: The Report of the Overseas Presence Advisory Panel*, (U.S. Department of State, November 1999) (hereafter, *Overseas Presence Report*).

14 Robert G. Kaiser “Foreign Disservice,” *The Washington Post*, April 16, 2000, page B1.

15 See: *CFR/Brookings Report*, *CSIS Report*, and *Stimson Center Report*.

Declining resources and increased commitments have also affected the infrastructure of diplomacy. The Overseas Presence Advisory Panel noted a “gap between our nation's goals and the resources it provides its overseas operations,” and concluded that the U.S. overseas presence “is near a state of crisis and needs immediate reform.”<sup>16</sup> Reversing the decline in international affairs funding alone will not bring about improvements in the U.S. foreign policy structures, however, adequate and stable funding is a prerequisite for undertaking and completing meaningful reform efforts.

**(2). Strengthening the link between policy and resources:** The Department has recently undertaken several initiatives to improve policy coordination across regions and functions. It has developed an International Affairs Strategic Plan (IASP), which ties international affairs programs to stated national security goals and objectives. It has also strengthened the process by which Missions and Bureaus produce integrated program plans, by requiring that the annual Mission Performance Plans (MPPs) and Bureau Performance Plans (BPPs) directly relate to the goals and objectives stated in the IASP.

Despite these improvements, program planning remains a low priority within the Department. MPPs and BPPs serve primarily to support the annual budget request and are rarely used to guide mid-course program planning and resource allocations adjustments. The causes for this are both structural and cultural. First, the Department does not prioritize foreign policy interests and objectives across regions and functions. Without such a statement of policy priorities, the Department's planning efforts cannot be completely effective, because there is no meaningful way to evaluate the allocation of resources among and within bureaus, as well as between the Department and other international affairs agencies of the U.S. Government. Planning also suffers from a lack of emphasis within the Department on program and resource management. The interviews conducted revealed that senior policy officials at the State Department spend a majority of their time on policy issues and operational tasks rather than on management. Even at senior levels, officials function as action officers to the next higher level. While this practice ensures the quality of information flowing to the Secretary from the desks, it also encumbers senior officials and constrains them in dedicating their attention to management issues.

**(3). Improving workforce management and planning:** The national security environment of 21<sup>st</sup> century is likely to require expertise in functional areas such as finance and economics, military and environmental issues. It will also require greater interagency coordination among a greater number of actors.

The personnel system within the Department currently does not provide clear incentives for Foreign Service and Civil Service personnel to develop functional skills or pursue assignments in other departments and agencies that could strengthen interagency knowledge and relationships. Career advancement within the Department still emphasizes working in regional bureaus and assignments abroad. With a few exceptions, such as attending the National War College, Foreign Service officers and State Department Civil Service employees are not rewarded in their career for taking temporary assignments in other agencies, for example.

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<sup>16</sup> *Overseas Presence Report*, p. 15.

The Department should build incentives in its personnel system for pursuing nontraditional career paths, as well as developing management and planning skills. One area of opportunity for the Department in improving workforce skills is to develop a mechanism to encourage continuous professional development, such as the "training float" concept used by the Military Services to keep a certain percentage of their personnel in professional development and training programs at all times.

**(4). Improving the integration of regional and functional policy issues<sup>17</sup>.**

The Commission found that the State Department's voice in interagency debate is muted because the Department's organization is not conducive to the effective coordination and integration of regional and functional policy issues. The State Department has sought to deal with a more complex global environment in several problematic ways. First, it has added a number of functional bureaus, led by Assistant Secretaries of State, and established additional functional Under Secretary positions to cover emerging transnational issues. DoS has also added a series of "special coordinators" to cover urgent policy challenges and in some cases to respond to Congressional and Presidential priorities.

Despite the creation of new senior policy positions for functional issues, the current structure of the Department does not allow the effective coordination of regional and functional policy perspectives at a level lower than Under Secretary.<sup>18</sup> In addition, during the Clinton Administration, bureaus were empowered to report directly to the Secretary of State on issues for which they have responsibility. As a result, regional and functional issues are often elevated to the highest levels before they can be coordinated or integrated. Interviews also revealed that this structure leads the Department to speak with more than one voice in interagency venues, thus diluting the strength of its argument and its influence in interagency policy formulation. This is especially the case because a great deal of interagency coordination is conducted both formally and informally at the Assistant Secretary-level and below (and thus at the bureau level).

The Commission believes this structure reduces the influence of the State Department with respect to other international affairs agencies and results in the poor coordination of foreign policies. A restructuring that aligns functional bureaus and country desks under regional Under Secretaries would be more conducive to integration of foreign policies and the reassertion of the Department of State as the premier voice in foreign policy in the interagency.

**E. Department of Defense (DoD). There is a critical need to reshape the Department of Defense (DoD) to meet the challenges of the 21<sup>st</sup> Century security environment.** Over the last decade and a half, DoD has undergone a series of dramatic changes in its organization, threats, and missions. It has moved forward with institutionalizing the reforms mandated by the Goldwater-Nichols Act. It has had to adapt to the end of the Cold War and to emerging new threats and associated new missions. It began to build upon the opportunities inherent in the revolution in information and communications technology. And, it

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<sup>17</sup> Findings in this section are based on a conference co-sponsored by the USCNS/21 and the Woodrow Wilson International Center for Scholars, "The U.S. Diplomatic Community: Its Processes and Structures," October 20, 1999.

<sup>18</sup> The regional bureaus, and the Bureau for International Organizations, report to the Under Secretary for Political Affairs (P). Functional bureaus report to the Under Secretary for Economic, Business, and Agricultural Affairs, the Under Secretary for Arms Control and International Security, the Under Secretary for Global Affairs, and the Under Secretary for Public Diplomacy and Public Affairs. The Under Secretaries function as the Corporate Board of the Department and meet periodically to coordinate policy issues.

attempted to reshape its infrastructure by bringing new business practices to bear, especially on its logistics and support processes.

As a result of these efforts, the organization and processes of DoD have evolved over this period. The effectiveness of these evolutionary changes has been mixed. Therefore, a critical need exists to reshape the institution to meet the challenges of the dynamic, new security environment. DoD's organization and processes need a serious reevaluation to take advantage of the lessons learned over the past 15 years and contend with the challenges of the 21<sup>st</sup> century. An important first step should be to conduct fundamental review to examine the roles of the Office of the Secretary of Defense (OSD), the Joint Staff, the Services, and the Defense Agencies. This review should examine the changing roles and capabilities of each of the components of DoD.

Just as important, DoD processes, including the Planning, Programming, and Budgeting System (PPBS), the defense acquisition system and the Joint Requirements Process, the management of the support infrastructure, and the deliberate and crisis planning system—all need improvement. PPBS is the means by which DoD identifies requirements to meet the demands of the National Security Strategy and allocates resources to fulfill these requirements. Instituted in the 1960s to provide discipline to the defense requirement and budget process, PPBS has changed only marginally since its inception. Meanwhile, it has come under scrutiny as critics have charged that it is too complex, slow, and lacks the flexibility to adapt to vastly different defense requirements in the post-Cold War era. This system confronts two new, distinct challenges: meeting the threat and mission-based challenges of the next decade, and transforming the military establishment into an effective "Capabilities-based Force" for 2025. These two goals are often in competition with one another, and the PPBS process has encountered difficulty in balancing these priorities.

Defense acquisition reform has been the subject of a number of boards and commissions over the past decade and a half. Despite recognition that the system needs improvement, and some efforts at streamlining, much is left to be accomplished. Among the factors for consideration are the role of the Joint Requirement Oversight Council (JROC), the need to capitalize on the revolutionary changes in information and communications technology. The changing structure of the defense industrial base, the need to streamline the Federal Acquisition Regulation (FAR) system, and the relationship between the acquisition process and the PPBS. The JROC was established by Goldwater Nichols to support the Chairman of the Joint Chiefs of Staff in his oversight and assessment of joint military requirements. It provides the Joint Staff and the CINCs with a mechanism to integrate systems and service-generated programs. Its charter includes recommending alternatives to defense acquisition programs based on mission need, as well as cost and schedule. Critics, however, have charged that the JROC has not often challenged programs that the Services strongly support and is thus not performing as originally envisioned.

An important challenge for DoD is to modernize the large infrastructure that supports its operations, to take advantage of information technology and the business practices that have proven to be successful in the private sector. Currently, infrastructure comprises about 60 percent of the defense budget. DoD has sought to address this problem over the past decade by initiating a defense reform effort that spanned a diverse set of

organizations and processes, to include acquisition, logistics, and financial management. The responsibilities for this daunting task, however, are spread across a large number of organizations and agencies without adequate accountability. DoD attempted to increase efficiency by adopting new business practices from the private sector, encouraging competitive sourcing, and undertaking base consolidation and closures as directed by Congress; however, competing pressures have limited the success of these endeavors thus far.

To meet the challenge of defense reform, DoD established a system to manage the reform effort, led by the Deputy Secretary of Defense and a Defense Management Council (DMC), composed of senior OSD, Service and Joint Staff officials. Despite these efforts, the defense reform initiatives aimed at increasing the effectiveness and efficiency of the infrastructure have not yet taken root. This endeavor is a long-term undertaking that requires focused management attention and direction. One area for improvement is in the management of defense reform itself. Although the DMC has generated a number of initiatives to support reform, it has not exercised authority to ensure that they are followed through. In addition, the DMC has met infrequently, and its meetings have rarely been of a decision-making nature. Significant improvements to the logistics and support structure of DoD will require leadership, organization, and a consistent process to ensure success.

Finally, DoD should undertake an examination of what its deliberate and crisis planning processes can offer to wider national security planning efforts. To meet the challenges of the 21<sup>st</sup> century security environment, the USCNS/21 has identified the need for systematic interagency planning to support the needs of the 21<sup>st</sup> century security environment. DoD has the most comprehensive and well-established process for deliberate and contingency planning among the national security agencies. However, the Commission recognizes the growing need for integrated planning and mission execution across all national security agencies. An area of opportunity, therefore, is to explore means to link the DoD planning process to a wider interagency process.

**F. Intelligence. Intelligence support activities necessary to develop and implement national security policies and strategies do not cooperate as well as they might on a day-to-day basis.** Intelligence support necessary to develop, implement, and conduct national security strategies and policies is hampered in two significant ways: by organizational constraints that limit the Intelligence Community's ability to optimally address emerging security threats; and by a culture that rewards cooperation in crisis situations while implicitly encouraging "stove piped" day-to-day behavior. Major transnational issues, such as the proliferation of weapons of mass destruction (WMD), narcotics trafficking, and environmental scarcity and degradation, have been recognized as threats by the Community, which has created some issue-specific centers dedicated to analysis and warning. However, due to organizational limitations, the Community has not moved quickly to address other, perhaps more challenging security concerns, notably those involving non-state actors employing new technologies to expand the range of threats and potential harm to U.S. national interests.

The Intelligence Community is at its best during crises. However, the multiplicity of agencies, their agendas and interests, their working relationships, and the sensitivity and security of the information and sources involved in intelligence collection and analysis frequently make it difficult to achieve a coherent picture during non-crisis periods. While the Community has moved in the direction of full coordination across the intelligence disciplines in

key portions of the intelligence cycle (e.g., collection, analysis and production), progress on this path has been constrained by the lack of enthusiasm for collective action when individual agency equities are threatened, and by the Community's diverse organizational cultures. Without a thoroughly integrated intelligence picture of the security environment, planning is difficult. It is also more difficult to take appropriate actions to shape the environment, and to deter or minimize the effects of a crisis.

The Director of Central Intelligence (DCI)—who controls only 15 percent of the Community's budget as Director of the CIA—continues to be challenged in his ability to coordinate the efforts of a Community composed of a dozen or more activities. Duplication and redundancy in the Intelligence Community result in the major intelligence players “rushing to the soccer ball” instead of “playing their positions” in responding to crisis management, at the expense of emphasis on long-term intelligence efforts and breadth of analysis. Even in crisis situations, there are structural and procedural impediments that frequently hobble attempts to get crucial intelligence to senior policy-makers and war fighters when they need it.

Each member of the Intelligence Community has a different organizational culture, different values, and different incentives. Many Community clients believe day-to-day intelligence support is less integrated and less useful than it might be. In illustrating this point, several senior officials noted that, rather than depend on the Community as a whole for non-crisis support, they rely on one or two intelligence experts, thereby foregoing broader, and perhaps more useful assessments, because of the difficulty in getting fused intelligence.

Efforts to respond to policy-maker needs have focused intelligence on short-term, crisis management support at the expense of longer-term and strategic analyses. Initiatives to improve the coordinating capability of the DCI, such as the creation of the Deputy Director for Community Management (DDCI/CM) position, have been only partially successful. The DCI does not have the fiscal and political power necessary to perform this role, and less-senior managers and analysts are not able to task across agencies to gather the necessary range of all source intelligence. The changing international environment will require a more flexible decentralized approach to intelligence gathering that necessitates new expertise and methods.

Additional human intelligence (HUMINT) capabilities are required, and the lack of outside experts and the dearth of culturally educated regional analysts is keenly felt. The limited ability to incorporate open source intelligence further inhibits the creation of a quality intelligence product that is useful to policymakers. Similar deficiencies exist in the ability of the intelligence community to incorporate economic and science and technology analysis into intelligence products.

Better information-sharing capabilities with law enforcement officials are also needed. The recent trend toward closer cooperation between the Department of Justice and the Central Intelligence Agency to address the threat of worldwide terrorism is encouraging. However, there are at least 10 additional members of the Community and incentives, together with a more rigorous oversight mechanism, may be necessary to better coordinate day-to-day efforts. Unless the Intelligence Community cooperates more effectively on a day-to-day basis, it will be difficult to prevent crises or to ensure adequate warning. Time will likely be lost at the start of a crisis while coordination mechanisms are brought up to speed.

**G. Inter-Branch Activities. The Executive and Legislative Branches do not consult effectively enough to satisfy the demands of the new security environment.** During the assessment, former members of Congress and current Congressional staffers repeatedly noted the lack of consultation between the Administration and the Hill. While a certain amount of creative tension should exist between the branches of government, at the beginning of a new national security epoch constructive collaboration is extremely important. Jurisdictional disputes and bureaucratic struggles plague both branches, as does partisan politics. However, if national security strategies are to be backed by appropriate organizations and resources, Congress and the Administration must consult on the best approaches. This consultation must continue on a regular basis.

An example of consultative failure according to one former Member is the existence of approximately 78 treaties that await Senate ratification. They languish in part because Administrations have not been engaged enough with Members before, during, or after the treaty negotiation process.

Achieving consultative success will not be easy. Formal mechanisms, such as hearings and investigations, tend to be adversarial when the White House is held by a political party different from the majority party in one or both chambers on the Hill. Informal mechanisms are available, but are often restrictive and undisciplined. One former influential House Member has suggested that Congress create a combined standing committee to consult regularly with senior Executive Branch officials on national security issues. The concept is worth pursuing, but there must be incentives for the Administration to deal frankly with such a committee if it becomes established.

There will always be differences over national security specifics (such as the size of the foreign aid budget, the number of divisions, and individual weapons systems), and Congress may erect barriers to restrict the Executive Branch's leeway to conduct security and foreign policy. These differences should not interfere with the benefits that are likely to accrue if there are agreements on the overarching issues—or at least an understanding of opponents' positions.

### **3. Key Observations—National Security Resource Allocation.**

The 21st century environment broadens national security requirements and may require assigning higher priorities to nontraditional concerns (e.g., homeland defense or infrastructure security). Resource allocation will involve difficult decisions, which, for the time being, will be made within the confines of current processes.

As described in Volume II of this Addendum, *Executive Office of the President*, under the current system, OMB reviews the budget submissions prepared by Executive Branch Departments and Agencies to ensure that they comply with the President's policy, priorities, and directives—often a contentious process involving the NSC staff as well as OMB and Department and Agency staffs. In addition to reviewing budget submissions, OMB also reviews the testimony of Administration officials prior to Congressional hearings, and the OMB Director and his deputies may be called on by Congress to defend the overall budget.

It is important to note that only the State of the Union Address provides a unifying theme on the President's national security priorities. However, the State of the Union Address is

prepared after the Departments complete their budgets. Thus, there is no unifying guidance to assist the Departments and Agencies during budget preparation.

Each Department and Agency uses slightly different processes to build their budget submissions, and each interprets Administration policies in its own way. The OMB process to review these budget submissions is complex and operates primarily to ensure that the Departments and Agencies support the President’s top priorities. The review, like budget preparation, is conducted in a stovepiped, department-by-department manner.<sup>19</sup> Once on the Hill, the budget is examined by Committees that focus on the Departments and Agencies over which they have jurisdiction and who jealously guard their prerogatives—another system of stovepipes. Thus, it is often difficult if not impossible to orchestrate an integrated examination of national security strategic functions across Executive Branch Departments. The 13 separate annual appropriations bills exemplify this incremental approach to budgeting.

Congressional action to approve Administration budgets involves three types of committees in both chambers. The Budget Committees establish spending ceilings and may issue reconciliation instructions if other Committees exceed those ceilings. Authorizing Committees authorize funding for Departments, Agencies, and programs, establishing the funding ceilings for particular programs. In doing so, they may impose restrictions or constraints on spending, restructure organizations under their jurisdiction, and require specific actions within specified time limits. Appropriating Committees provide actual funding for all government activities in 13 annual appropriations bills, supplemental bills, and continuing resolutions. All of these Committees and their Subcommittees hold hearings and prepare legislation and reports. The latter are non-binding, although the requirements contained in reports are usually honored by the activities to which they are directed. When passed by both chambers and signed by the President, bills become laws.

Two observations may lead to process improvements in national security resource allocation.

**A. National Security Planning Guidance. At present there is no single process or document that links the National Security Strategy to Executive Branch resource allocation decisions.** Although there may be general agreement within the Administration on the National Security Strategy (required by Congress, prepared by the NSC staff, and published by the White House), it is not clear that resource allocation decisions support the strategic precepts in this document in an integrated fashion. There seems to be a gap at the national level between the National Security Strategy, which is by necessity broad and general, and the budget process. The White House does not provide additional integrated guidance to Executive Branch Departments and Agencies with respect to funding for specific national security activities or programs, nor does there appear to be a method to integrate the spending of several different Departments and/or Agencies *vis-à-vis* specific functional areas. Moreover, the document is not coordinated with the Congress, even informally, as to whether, or how, the National Security Strategy will be resourced. If strategy is the process of relating ends to means, intentions to capabilities, and objective to resources, the current National Security Strategy document is *not a strategy*—instead it is a political statement, an executive branch “wish list” of policies.

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<sup>19</sup> As the process now exists, it is difficult for OMB examiners to look at functional areas across several organizations, although OMB examiners noted during interviews that they are “moving in that direction.”

It appears that the broadening scope of national security and the challenges identified in *New World Coming* may demand that the national security resource allocation process become more disciplined and prioritized, and that it integrate requirements and resources in a more comprehensive manner. Some form of authoritative National Security Planning Guidance (shorter, less detailed, but similar perhaps to DoD's Defense Planning Guidance)<sup>20</sup> prepared by "Principals" at the NSC, NEC, OMB level may fill the gap between the National Security Strategy and budget submissions.

This document would engender high level interagency debate on strategy and requirements during preparation and invigorate interagency planning. A National Security Planning Guidance could also encourage longer-range planning for national security investments to ensure that resources are used in the most efficient manner. Such a document is also likely to serve as a basis for the OMB budget submission review process and facilitate productive Executive–Legislative Branch consultations.

**B. Functional Budgeting. Processes should be instituted during budget submission reviews to provide comprehensive examinations of key national security functions across several agencies.** Currently, OMB examiners focus on Departments and Agencies rather than functions. While this approach provides excellent insight into how funds are allocated within Executive Branch activities, it does not facilitate cross-department reviews, except for extremely high interest functions. For example, it is difficult to determine if (or how) State Department foreign assistance spending is integrated with Department of Defense military-to-military activities.

While it is probably not feasible to achieve cross-Department visibility over all national security activities, it should be possible to institute a process that will improve the Executive Branch's ability to look at the integration of a range of high value activities and programs (e.g., homeland security). Such a system should be flexible enough to shift focus easily when priorities change.

#### **4. Key Observations—Gaps and Seams (Homeland Security).**

**R**edundancy and overlap between organizations, as well as greatly diffused lines of authority, responsibility, and accountability generally point to "gaps and seams." Other strong indicators include the creation of "patches" or "workarounds," and the migration of functions and power to different organizations that would seem to lie outside their core competencies. A key challenge in this respect lies in the area of homeland security.<sup>21</sup>

In its initial report, *New World Coming*, the U.S. Commission on National Security/21<sup>st</sup> Century concluded that "America will become increasingly vulnerable to hostile attack on our homeland." The report also noted that "Americans will likely die on American soil, possibly in large numbers" and that the country will become increasingly vulnerable to a large range of

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<sup>20</sup> See Volume IV for a discussion of the Defense Planning Guidance.

<sup>21</sup> Other commissions also have highlighted shortfalls and inadequacies of U.S. homeland security capabilities. These include: the mid-1990s Marsh Commission on critical infrastructure; the 1997 National Academy of Public Administration/FEMA Commission on the role of the National Guard in emergency preparedness and response; the 1999 Webster Commission on federal law enforcement; the 1999 Deutch Commission on WMD proliferation; the 2000 Bremer Commission on terrorism; and the ongoing Gilmore Commission on assessing domestic preparedness to WMD. In addition, numerous "think tanks" have either published or are undertaking major projects focused on the problem of homeland security.

threats. In its second report, *Seeking a National Strategy*, the Commission noted that in order to assure the security and safety of Americans on American soil, realignments of organizations and resources would be necessary.

At present, the United States is unprepared organizationally and functionally for the scale and nature of emerging threats to the American homeland. There are substantial structural and process deficiencies for addressing non-traditional homeland security issues such as those associated with cyber crime, non-state actors, WMD proliferation, biotechnology, and information technology. While coping with these problems is critical, many homeland security issues do not have “homes” in the present national security structure, and are dealt with on an *ad hoc* basis.

These new threats require a comprehensive approach to prevention, protection, response and recovery, consistent with American values, interests, and institutions. However, many homeland security problems transcend traditional jurisdictions between Federal Departments and Agencies, as well as the boundaries between federal, state, and local entities. Major “zones of ambiguity” exist with respect to who is accountable for the overall effort and who is responsible for functional requirements. These seams can be exploited by adversaries and, unless repaired, are likely to complicate prevention, deterrence, detection, and response. At the same time, protecting the homeland should not come at the expense of constitutional processes and personal liberties.

Effectively coordinating the activities of participating organizations in a manner consistent with American values requires clear lines of authority, responsibility, and accountability together with adequate resources. Some consolidation of jurisdictions and functional responsibilities could eliminate many vulnerable seams; reduce zones of ambiguity between federal, state, and local agencies; and help ensure efficient application of resources.

Examples of homeland security issues that are being addressed by *ad hoc* work-arounds through traditional stovepipes were found throughout Phase III research. For instance implementation of national infrastructure protection measures has migrated to the NSC staff which is designed to oversee policy coordination, not implementation. Also, PDD-63 created the National Infrastructure Protection Center, but scattered other functions between DoD, the FBI, and the Department of Commerce.

The Department of Defense views its role in homeland security from the perspective of “military support to civil authorities” and currently has no single point of contact. Although an Assistant to the Secretary of Defense for Civil Support position exists, it was created recently and is not entirely operational. The Department assigned responsibility for homeland security to the Commander-in-Chief of the U.S. Joint Forces Command (USJFCOM). This command in turn created the Combined Joint Task Force—Civil Support (CJTF-CS) to coordinate for and provide assistance to state and local first-responders, but the task force has a limited staff and limited resources. DoD has also conducted a program to train a few local fire fighters and rescue groups in the use of chemical and biological detection equipment; however, this function is being transferred to the Department of Justice for administration, and has funding problems. DoD is also attempting to develop regional and local chemical and biological detection capabilities in the Army National Guard.

Border security responsibilities remain divided between the Coast Guard, the Immigration and Naturalization Service, the Boarder Patrol, and various port authorities, including the FAA. Disaster response remains scattered between FEMA, the Centers for Disease Control, and the National Guard. Although FEMA has a planning process for the Federal Response Plan, standardized planning and coordinating procedures are generally lacking elsewhere, and many agencies cannot communicate with each other. Finally, there has been no assessment at federal, state, regional, or local levels as to determine what capabilities and resources exist now or what requirements must be addressed in the future—especially for biological attacks.

There are many obstacles to addressing homeland security organizational and process concerns. However, the nature of the threat to U.S. economic prosperity and domestic tranquility depends on preventing attacks on the American population and critical infrastructures, and if prevention and/or protection fails, on effective response that leads to prompt recovery. These imperatives give special emphasis to overcoming existing impediments to effective coordination and cooperation at all levels. Failure to do so could result in undermining the credibility of the government and a public backlash that could have far reaching impact and affect the U.S. standing as a global leader and its ability to implement the national security strategy.

## **5. Key Observations—Other Themes.**

In the research of national security processes, two cross-cutting themes emerged that can strongly affect the nation's ability to meet future challenges. These involve the usefulness of information technology in national security processes, and the need for high quality people to make the national security system operate in an optimum fashion.

**A. Information Technology. The incorporation of information technology and rapid communications can positively affect national security processes—and it can also create new concerns.** Immediate access to a wide range of information, the ability to view world events as they occur, and the capability to instantly communicate across the globe change the pace of national security processes, activities, and operations. Rapid information exchanges through innovations such as conference calls and video teleconferences offer certain advantages. They facilitate rapid decision making and provide participants with access to specific data, expertise, and judgements that can enable the U.S. government to act inside an adversary's (or negotiating partner's) decision loop. Technology also allows real time options development and dissemination of implementing actions.

However, the rapid proliferation of information and communications technology by individual Departments and Agencies has resulted in a wide range of different capabilities that are not always interoperable. In fact, rather than speed information flow, incompatible technical capabilities can restrict it. What is clear is that the U.S. government lacks integrated information architecture at the interagency level. “Compatible” unclassified systems are often unable to exchange routine information, but worse yet a classified system similar in scope to the Defense Department’s Secret Internet Protocol Router Network (SIPRNET) is totally lacking. This prevents the rapid exchange of sensitive data, and severely limits integrated collaborative planning at the interagency level across government.

Other points are also worth considering. While often enabling expeditious action, technology makes it both possible and tempting to exclude much of the deliberation and resident

staff expertise that are hallmarks of effective decision making. The need for rapid decision making is always *relative* and we should strive to stay inside an opponent's decision cycle. However once inside that cycle, speed for the sake of speed can be counter productive. As several experienced practitioners noted, rapid action is not always the best approach to complex national security problems. Sometimes it is better to slow down the pace of response and proceed with careful deliberation. Technology also can also invite operational micro management, such as the approval of individual targets and weapons during combat operations. The likelihood that an office in Washington may opt to intervene in operations within a military conflict can stifle initiative by those on the ground and eventually lead to erroneous decisions that have far reaching consequences.

Technology clearly offers advantages to improving process effectiveness. Yet adopting technological remedies is risky if done without a comprehensive review of requirements, implications, and human decision procedures. This is especially true for information flows. Any recommendations that advocate information technology improvements should include a stipulation that information flow assessments be conducted as part of upgrade efforts.

**B. Personnel. Personnel recruitment and training to develop and implement national security strategy and policies for the 21<sup>st</sup> century may be a challenge.** Regardless of the structure, process, or system, the government's effectiveness depends on having the right people with the right skills. Many of those consulted in the course of this study expressed concern about recruiting, training, placing, and retaining personnel. While recruitment and retention in the Armed Forces continue to grab headlines, this underlying concern was evident in almost every Department and Agency. Without the highest quality personnel and the ability to rapidly structure the workforce to meet changes, the best national security processes and organizations have minimal value.

**S**everal factors contribute to current concerns. The strong economy and job markets offer attractive alternatives to public service careers. Government pay scales (especially starting salaries for positions requiring technical knowledge) are not competitive with the private sector. As one senior government official noted, his office was no longer able to recruit talent from top tier universities because placement officers "found government salaries laughable" in the current environment. Lack of attractive salary and benefit packages (coupled with an antiquated promotion system that often rewards seniority rather than merit) affects both recruiting and retention. Recruitment is further hampered by a grueling and invasive approval process for senior appointees, as well as the severe restrictions placed on post-government employment. The attractiveness of a stable, cradle-to-grave career in today's society does not have the same appeal as in the past. To these detractors must be added public devaluation of government service by many elected officials in recent years. Together, these factors make government service an unattractive career choice.

Changes in the way national power must be applied require integrated policy development, planning, and implementation. Yet career civil servants and political appointees in the Executive Branch and new members of Congress often come from cultures that may not fully appreciate the spectrum of new national security imperatives. Efforts to overcome these shortcomings could benefit by borrowing a page from DoD. The military services have developed a sophisticated professional military education system, and the Department has expanded that to include many civil service employees. The system improves the quality of internal operations and makes adapting to change easier and quicker. The State Department has a

similar, but more limited, educational system. It may be worthwhile to move beyond Department systems and initiate interagency and inter-branch training and wargames to help national security professionals cope with the new spectrum of demands.

As new processes and systems are recommended by reformers, it is important to take requirements for high quality personnel—both now and in the future—into account. Fixing the present problem is likely to require legislative actions as well as Department and Agency initiatives to make government service rewarding and attractive.

## **6. Challenges.**

National security challenges for the 21<sup>st</sup> century will require integrated action from a much wider range of Departments and Agencies across the government. This will require at least some changing of processes and organizational structures and will almost certainly require bringing together organizations with vastly different systems for policy and strategy development, planning and implementation, and resourcing. This is a complex task that will often collide with established organizational cultures and values. Recommendations for change must include three factors.

First, they must introduce a mechanism that will permit consultation between the Executive Branch and the Congress throughout the change process. Unless change of this magnitude is a true partnership between both branches, it is likely to flounder on the myriad obstacles that will certainly be placed in its path.

Second, there must be incentives for implementing changes. Directing change, even Congressional direction, is likely to lead to uninspired implementation (or no implementation) unless there are incentives for carrying it out. As Lyndon Johnson is reported to have said 30 years ago, the best way to destroy a new idea is to put it into an old organization. The old saw about bureaucratic resistance to change will almost certainly apply to many of the affected organizations. Most will view change as personally risky and uncomfortable. Successful change must be “incentivized” by instituting both positive and negative sanctions that have value to the organizations in question.

Third, change on this scale must be driven from the top down and monitored throughout its execution. Because of the complexity and the integrated nature of the changes (and because much of the resistance to change will occur at the middle organizational levels and below), upper echelon vision and management will be necessary to implement it without disruption or unintended consequences. It will also be necessary to ensure that change occurs at the correct pace, and recommendations for change should include ways to develop a culture of change among senior officials.

## **Chapter 2**

### **The Overarching National Security Processes At The Interagency and Inter-Branch Levels**

**National Security Strategy and Policy Development**

**Planning and Implementation of  
National Security Strategy and Policy**

**National Security Resource Allocation**



*Prepared for the U.S. Commission on National Security/21<sup>st</sup> Century*

## **SECTION I. INTRODUCTION TO THE OVERARCHING NATIONAL SECURITY PROCESSES**

### **1. General.**

**T**here are three key overarching national security processes:

- National Security Strategy and Policy Development;
- Planning and Implementation of National Security Strategy and Policy; and
- National Security Resource Allocation.

Taken as a whole, these processes are designed to define and attain national security goals.

**A** descriptive process-based analyses of the individual agencies, departments, and committees that comprise the national security apparatus are contained in subsequent volumes of this Addendum. This chapter focuses on how the three overarching processes are aggregated at the interagency and inter-branch level. The underlying analysis is based on seven “Key Processes” identified by the U.S. Commission on National Security/21<sup>st</sup> Century. These processes are defined in Attachment 1 to Chapter 3 of this volume, and include Strategy Development; Policy, Guidance, and Regulation; Planning; Mission Execution/Implementation; Observation, Orientation and Oversight; Preparation; and Resourcing. Additionally, we include a description of the organizational culture and values of each organization in the process description (see Attachment 2 of Chapter 3 in this volume for the definitions). In assessing interagency and inter-branch activities, a natural categorization of the seven processes into three overarching processes was helpful. The relationship is shown in the Table 1 below:

**Table 1. Process Relationships.**

<b><u>OVERARCHING PROCESSES</u></b>	<b><u>SEVEN KEY PROCESSES</u></b>
<b>National Security Strategy and Policy Development</b>	Strategy Development Policy, Guidance, and Regulation
<b>Planning and Implementation of National Security Strategy and Policy</b>	Planning Mission Execution/Implementation Observation, Orientation, and Oversight Preparation
<b>National Security Resource Allocation</b>	Resourcing

Most of the organizations examined have developed structures and responsibilities to manage each of the seven key processes. However, there is a distinct variance in the conduct and scope of the processes across the government. Moreover, the processes often overlap. For example, policy, guidance, and regulation processes within some organizations often become enmeshed in strategy development, implementation, and resourcing. Planning frequently

becomes an integral function of strategy development and implementation. Mission execution is often absorbed as a subset of planning, and, depending on Congressional demeanor, may be part of resourcing deliberations. Observation, orientation, and oversight processes feed back into planning and implementation, and resourcing, while preparation (especially in terms of determining requirements and funding them) is frequently a component of resource allocation. While some of the variance is a natural product of the differing missions, objectives and responsibilities of the individual organization, these differences may cause problems in the future when integrated planning and execution is necessary to meet national security challenges that extend across the traditional responsibilities.

## **2. National Security Strategy and Policy Development.**

**N**ational strategy and policy are fundamental for developing Department and Agency policies and strategies and for presenting them to Congress. In the Department of Defense (DoD), for example, the policies put forth in the Defense Planning Guidance and the directions contained in the National Military Strategy (as well as other documents) reflect broader Executive Branch views as expressed in the National Security Strategy.<sup>22</sup> National security policy and strategy are developed through the formal interagency processes (described by Presidential Decision Directive 2 ((PDD-2)) and other directives), and supplemented by informal interaction among senior officials. Congress reviews policy and strategy development through formal hearings, investigations, reports and informal contacts—all of which influence Executive Branch activities and ultimately may influence resource allocation decisions and public support for the Administration.

## **3. Planning and Implementation of National Security Strategy and Policy.**

**P**lanning and implementation of national security strategy and policy is continuous and is conducted by various elements of the federal government, depending on the issue at hand. For example, the diplomatic aspects of policies are likely to be carried out by the State Department; military and defense aspects by DoD; economic and trade aspects by the Departments of Treasury and Commerce; and strategies for dealing with the Hill and gaining public support by the White House. Planning and implementation is guided by broad official statements of national security strategy and foreign policy released by an Administration, such as the National Security Strategy, the United States Strategic Plan for International Affairs, and the political-military plans developed under the auspices of PDD-2 and PDD-56 (see below). More specific guidelines for implementation of a particular policy, however, are provided by Presidential Decision Directives; Executive Orders; memoranda recording the decisions taken by National Security Council (NSC) committees; National Economic Council (NEC) decisions, and speeches, testimony, or other pronouncements by the President or one of his key advisers.

Policy and strategy implementation takes various forms. It occurs, for example, when a Department or Agency issues specific internal guidance to its component agencies; when an NSC committee orders the development of a political-military plan to address an emerging international crisis; or when a military or diplomatic team executes a mission. Implementation

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<sup>22</sup> See Volume IV, Chapters 3 and 5 entitled the “Under Secretary of Defense for Policy” and the “Joint Staff” for a description of relevant documents and how they are produced. Although the DoD system is perhaps the most complex, most Departments and Agencies have an equivalent system for linking plans to resource allocation decisions.

also entails monitoring and oversight, to ensure that various players in the national security apparatus fulfill their responsibilities.

In the Clinton Administration, as in previous Administrations, policy and strategy planning and implementation are often interagency processes concentrated in the National Security Council committees. For example, PDD-2 describes the process by which members of the NSC/Principals Committee (PC), NSC/Deputies Committee (DC), and Interagency Working Group (IWG) ensure that national security decisions are carried out by the interagency. An innovation of the Clinton Administration was to codify a process, described in PDD-56, by which the interagency members could coordinate contingency planning. As in policy and strategy development, informal processes and personal relationships among interagency officials supplement, and in many cases, substitute for the formal process.

Congress also has a role in monitoring policy implementation. Congress holds hearings and solicits testimony and reports from Executive Branch agencies, from the General Accounting Office, the Congressional Budget Office, and other resources available to the Legislative Branch.

#### **4. National Security Resource Allocation.**

The processes that identify requirements and forecast and provide resources are designed to generate the capabilities needed to accomplish national security goals and objectives. Essentially, resourcing involves preparation of the President's Budget and its progress through Congress. Although somewhat arcane, this may be the least complex of the three overarching processes because roles and responsibilities are relatively well defined, and because there is a schedule that serves as a forcing function to move participants toward decisions (even when milestones are not met). Fixed responsibilities and schedules are less evident in strategy development and implementation processes.

#### **5. Organization of This Chapter.**

Each of the three overarching processes is discussed in detail in the sections that follow. Detailed information concerning individual Department and Agency involvement is contained in the accompanying volumes.<sup>23</sup>

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<sup>23</sup> Volume II—*Executive Office of the President*; Volume III—*Congress*; Volume IV—*Department of Defense*; Volume V—*Department of State*; Volume VI—*Intelligence Community*; Volume VII—*Other Executive Branch Activities*.

## SECTION II. NATIONAL SECURITY STRATEGY AND POLICY DEVELOPMENT

### **1. General.**

**A**part from internal Department and Agency processes,<sup>24</sup> overarching strategy and policy development involves several interagency sub-processes including:

- The traditional Interagency Process as described in Presidential Decision Directive 2 and overseen by the National Security Council (NSC) through the NSC staff;<sup>25</sup>
- The process for coordinating the development of economic policy directed by the National Economic Council (NEC); and
- The process of developing response strategies and policies through preparation of the Federal Response Plan (FRP) under the auspices of the Federal Emergency Management Agency (FEMA).

This section looks at each of these processes individually. It also examines how Congress influences policy and strategy development.

### **2. The Traditional National Security Interagency Process.**

**T**he traditional interagency approach to national security problems occurs through a formal process that has its roots in the National Security Act of 1947.<sup>26</sup> Over the years, the process has varied in accordance with the wishes of the President and the strength of the Assistant to the President for National Security Affairs (APNSA), who is often referred to as the National Security Advisor. The process itself is not codified in law below the full NSC, although much of the work and most of the decisions are made by various interagency committees below that level in accordance with Presidential preferences.

#### **A. Background.**

**(1). Presidential Decision Directive 2.** PDD-2, *Organization of the National Security Council*, establishes the Clinton Administration's formal interagency structure and the processes for considering "national security policy issues requiring Presidential determination."<sup>27</sup> The document specifies interagency roles and responsibilities at multiple levels, and reflects the President's organizational preferences for dealing with "national security" as the President defines that term.<sup>28</sup> That is not unique. Because it reflects personal

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<sup>24</sup> Described in appropriate chapters and volumes of this report.

<sup>25</sup> Although the term National Security Council (NSC) has specific meaning in law and practice, the term is sometimes used to denote the National Security Council Staff. In this document, we use the term "NSC" to denote the National Security Council proper and "NSC Staff" to refer to the staff.

<sup>26</sup> The 1947 Act created the National Security Council whose staff oversees the traditional interagency process.

<sup>27</sup> Although the language of PDD-2 suggests considerable Presidential involvement, all but the most significant national security matters are dealt with by the NSC's committees and working groups as described in subsequent paragraphs and in the volumes dealing with the Departments of State and Defense and the National Security Council.

<sup>28</sup> The White House. PDD-2. "Organization of the National Security Council." (Washington: January 29, 1993). (Hereafter, PDD-2.)

predilections, each Administration's version of the national security interagency process is somewhat different and involves different players in the NSC system. Notwithstanding differences, the process has been evolutionary over time rather than revolutionary.<sup>29</sup>

**(2). Evolution of PDD-2.** Administrations formalize their concepts of interagency processes and NSC responsibilities in authoritative documents, such as PDD-2. As a rule, each new Administration builds on its predecessor's work. For instance, some perceive only minor differences between the Bush Administration's National Security Directive 1(NSD-1) and the Clinton Administration's PDD-2.<sup>30</sup> There are some differences, however, in specific authorities that were delegated to the NSC/Principals Committee (PC) and the NSC/Deputies Committee (DC) to work specific issues. And NSD-1 creates specific functional and regional working groups, while the Clinton Administration's PDD-2 omitted these groups.<sup>31</sup> NSD-1 appears to have been written to push decisions down and allow "the system" to work issues as much as possible at lower levels, while elevating decisions to the Principals level later in the process. Overall, most decisions have been made at the same levels in the previous Bush and the Clinton Administrations. In both Administrations, over time, decision making authority has migrated from the working groups to the NSC/DC, and occasionally the NSC/PC, although that trend may be more pronounced in the Clinton Administration.

Because of their importance to national security, interagency process directives are generally published soon after an Administration takes office. For example, the Clinton Administration promulgated PDD-2 on January 20, 1993—Inauguration Day—while the Bush Administration published NSD-1 in April of 1991—about three months into its tenure. (Interagency directives have been categorized in several different ways. In the Carter Administration they were titled Presidential Directives (PD), while the Reagan Administration, titled these documents as National Security Decision Directives (NSDD).<sup>32</sup> The Bush Administration re-named them as National Security Directives, and NSD-1 and NSD-10 described its version of the interagency process.<sup>33</sup> The Clinton Administration re-titled them once again as Presidential Decision Directives.) Formal processes are usually the basis for informal processes that develop almost as quickly.

**(3). Distinctions Between Formal and Informal Processes.** One expert describes the national security process as "an extension of the president's own concerns and interests."<sup>34</sup> Thus, it is important to note that the President and his advisors do not always follow the formal processes reflected in documents to the letter. In fact, formal and informal processes coexist and complement each other. Often, informal processes are truncated versions of more

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<sup>29</sup> The current Bush Administration replaced PDD-2 with NSPD-1.

<sup>30</sup> Some experts attribute these to the Clinton Administration's favorable impression of the way their predecessor's model worked. See for example Vincent A. Augur. "The National Security Council System After the Cold War" in Randall B. Ripley, et al., eds. *U.S. Foreign Policy After the Cold War*. (Pittsburgh: The University of Pittsburgh Press, 1997). (Hereafter Augur)

<sup>31</sup> Compare language in PDD-2 with NSD-1 ("National Security Council Organization"), dated April 17, 1989.

<sup>32</sup> See NSDD-266 ("National Security Interagency Process") dated June 9, 1987 and NSDD-2 ("National Security Council Structure") dated January 12, 1982.

<sup>33</sup> NSD-1 and NSD-10 ("Appointments to NSC Policy-Coordinating Committees"). NSD-1 includes many of the recommendations of the Tower Commission appointed by President Reagan in 1987 to review and make recommendations for improving the NSC system. Lieutenant General Brent Scowcroft USAF (Ret.), President Bush's National Security Advisor, had been a member of the Tower Commission.

<sup>34</sup> Augur, p.67.

formal arrangements and involve at least some of the same players. When informal processes arise, they often do so not because the formal process is not working properly, but because time constraints or participants' agendas suggest the need for something else. Careful review and comments by participants indicate that informal approaches based on formal processes are often an effective way to develop policy and strategy. In practice the formal processes become reference points from which informal processes spring. Many important decisions are reached using informal processes, however, formal processes tend to be more rigorous and disciplined—when followed—and are better at ensuring all perspectives receive a hearing. If used properly, formal process can enhance participant trust in the system.

**I**nformal processes often cut corners to speed up decision making, but such shortcuts often "freeze out" some players. There is nothing in the research for this project that suggests this is inherently wrong; however, it is important for core participants to realize that truncating the involvement of lower level staff experts—or entire Departments or Agencies—entails a certain amount of risk. A second significant point that affects current practices is that informal processes sometimes occur because technology makes them possible. For example, the ability to conduct secure teleconferencing almost at will can tempt decision makers to make decisions in near-real-time without consulting staff experts who might frame issues more precisely and suggest a broader range of alternatives.

## B. NSC Composition.

**(1). Evolution of the NSC.** Congress established the formal legal composition of the NSC in the National Security Act of 1947, and Congress has changed that composition several times.<sup>35</sup> The original law specified that, among others, the NSC would be composed of the President, the Secretary of State, and the Secretary of Defense, who are the only members that have remained constant throughout. Two years later, in the National Security Act Amendments of 1949, Congress modified the original composition. This act removed the Service Secretaries and the Chairman of the National Security Resources Board, added the Vice President as a full member and designated the Chairman of the Joint Chiefs of Staff (CJCS) and the Director of Central Intelligence (DCI) as statutory advisors.<sup>36</sup> There have been other changes over the years, and a precedent for Congressional action *vis-a-vis* the NSC is clearly established.

However, while Congress mandates membership in law, Presidents usually add others to the NSC to suit their needs and agendas. Further, in the NSC system of committees, the President, not the Congress, decides membership and limits of authority. Thus, like the formal processes, the NSC membership and the membership of its committees have evolved to suit the needs of the President.

**(2). Current Membership.** PDD-2 expanded NSC membership beyond that mandated by law in a way that reflected President Clinton's concept of a link between national security, economic, and domestic political matters. In addition to the statutory members (i.e., the

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<sup>35</sup> *Public Law 253*, cited as the "National Security Act of 1947", Title I, Chapter 343, Sect. 101. "The Council shall be composed of the President; the Secretary of State; the Secretary of Defense. . . ; the Secretary of the Army. . . ; the Secretary of the Navy; the Secretary of the Air Force. . . ; the Chairman of the National Security Resources Board. . . ; and such of the following named officers as the President may designate from time to time: The Secretaries of the executive departments, the Chairman of the Munitions Board. . . , and the Chairman of the Research and Development Board. . . ."

<sup>36</sup> *Public Law 216, Sect. 3*

President, the Vice President, the Secretary of State, and the Secretary of Defense) and the statutory advisors (i.e., DCI<sup>37</sup> and the CJCS), the Clinton NSC included:

. . . the Secretary of the Treasury, the U.S. Representative to the United Nations, the Assistant to the President for National Security Affairs, the Assistant to the President for Economic Policy, and the Chief of Staff to the President. The Attorney General shall be invited to attend meetings pertaining to his [sic] jurisdiction, including covert actions. The heads of other Executive departments and agencies, the special statutory advisors to the NSC, and other senior officials shall be invited to attend meetings of the NSC where appropriate.<sup>38</sup>

The Clinton NSC membership had parallels with that of the previous Bush Administration. For that Administration, the White House Chief of Staff and the Assistant to the President for National Security Affairs joined the statutory members for NSC meetings. NSD-1 also states that the Secretary of the Treasury was to attend NSC meetings unless specifically asked not to do so. The document further specifies that the Attorney General would be invited to attend when matters “pertaining to his jurisdiction, including covert actions” were discussed, and the heads of other Executive Branch agencies, the statutory advisors, and “other senior officials will be invited to attend meetings of the NSC where appropriate.”<sup>39</sup> Supporting committees were essentially the same in terms of make-up and function for both Administrations as outlined below, although PDD-2 is not as specific with respect to their duties as was NSD-1. In short, the primary differences between the Clinton and preceding Bush Administrations’ interagency systems lie in application, not in membership or formal processes. Even the major informal processes were similar.<sup>40</sup>

**C. NSC Functions and Purposes.** The NSC and its supporting committees and groups serve as a forum to help Presidents make and manage national security decisions.<sup>41</sup> Given the nature of the membership and the purpose as cited below, the Clinton Administration apparently intended to use the NSC system of committees and working groups as a mechanism to integrate the elements of national power that the President believes are key. In the first substantive paragraph of PDD-2, President Clinton stated that:

The NSC shall advise and assist me in integrating all aspects of national security policy as it affects the United States—domestic, foreign, military, intelligence, and economic (in conjunction with the National Economic Council). Along with its subordinate committees, the NSC shall be my principal means for coordinating

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<sup>37</sup> The DCI is also the Director of the Central Intelligence Agency (CIA). His/her responsibilities include direction of the CIA as well as management of the Intelligence Community, which consists of thirteen formal intelligence activities located throughout the government.

<sup>38</sup> PDD-2, p. 1.

<sup>39</sup> NSD-1, p. 1.

<sup>40</sup> Of note, the current Bush Administration released NSPD-1, which in many ways reverts the NSC back to preceding Bush Administration.

<sup>41</sup> PDD-2, p. 1.

Executive departments and agencies in the development and implementation of national security policy.<sup>42</sup>

In other words, although it has not always been successful in doing so, the Clinton Administration tried to use the NSC system of supporting committees and working groups to focus diverse elements of national power on questions of national security. To an extent, this is somewhat different than the approaches taken by earlier Administrations which, given the strategic environments of their times, often treated national security issues primarily as military and/or diplomatic questions.

It is noteworthy that although the NSC is established in law and by Administration policy, its members rarely meet as the NSC. At present, the entire NSC *per se* as established by PDD-2 has not formally met since its inaugural meeting in 1993.<sup>43</sup> Instead, the Principals and Deputies Committees, supported by Interagency Working Groups, perform most of the interagency work, with the Deputies handling the lion's share.

**D. NSC Committees and Working Groups.** To assist the NSC in framing issues for the President and developing policy and strategy, PDD-2 establishes two formal committees and a series of formal working groups, in addition to the NSC staff and special advisors and emissaries. These are:

**(1). The NSC Principals Committee (NSC/PC).** The NSC/PC is chaired by the APNSA and is composed of the Secretary of State, the Secretary of Defense,<sup>44</sup> the U.S. Representative to the United Nations, the DCI, the CJCS, and the Assistant to the President for Economic Policy, who is also the director of the National Economic Council (NEC) Staff. (The Attorney General, the Secretary of the Treasury, and other executive Department and Agency heads may join the NSC/PC as required. See, for example, PDD-63 requirements for critical infrastructure protection, which uses the traditional interagency system, but expands membership, based on lead agency requirements.) In essence, the NSC/PC is the NSC without the President, Vice President, and the Secretary of the Treasury and Attorney General, unless invited, and the President's Chief of Staff.

**(2). The NSC Deputies Committee (NSC/DC).** The NSC/DC is chaired by the Deputy Assistant to the President for National Security Affairs (DAPNSA) and includes the Under Secretary of State for Political Affairs, the Under Secretary of Defense for Policy (USD(P)), the Deputy DCI, the Vice CJCS (VCJCS), and the Assistant to the Vice President for National Security Affairs.<sup>45</sup> The Deputy Assistant to the President for Economic Policy, who represents the NEC, and other Executive Branch officials may be invited to attend as necessary, and, when covert actions and other sensitive intelligence activities are discussed, a representative

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<sup>42</sup> PDD-2, p. 1.

<sup>43</sup> Interviews with NSC staff members.

<sup>44</sup> PDD-2 provides that if the Secretaries of State and Defense cannot attend, their Deputy Secretaries or other designees may attend in their stead.

<sup>45</sup> Note that although it is known as the Deputies Committee, the DoD and DoS representatives are Under, not Deputy, Secretaries, although Deputy Secretaries from both Departments sometimes attend.

of the Attorney General must attend.<sup>46</sup> In practice, the majority of interagency work, decisions, and coordination occur in the NSC/DC.

**(3). Interagency Working Groups (NSC/IWG).**<sup>47</sup> NSC/IWGs are established by the NSC/DC as appropriate and may be either permanent or *ad hoc*. During the Clinton Administration, there have usually been about two dozen functional and/or geographic working groups at any one point. NSC/IWGs should be chaired by Assistant Secretaries, but sometimes are chaired by others, including members of the NSC staff. Determination of lead Departments and chairs is based on whether issues are primarily foreign policy and/or defense (Department of State (DoS) or DoD); economic (Department of Treasury or National Economic Council); or intelligence, nonproliferation, arms control, and/or crisis management (NSC staff). The NSC/DC establishes guidelines for NSC/IWG operations, to include designating participants.

**(4). The NSC Staff** is a combination of professional staff funded through the NSC budget (which is appropriated by Congress as part of the budget for the Executive Office of the President) and detailees from the Executive Branch Departments, primarily State and Defense.<sup>48</sup> (For a more detailed description of the NSC staff see the Chapter 2 entitled “National Security Council” in Volume II of this Addendum.) The staff is traditionally small, less than half the size of the Office of Management and Budget. In the previous Bush Administration it numbered 179, which the Clinton Administration reduced to 151 initially (consistent with President Clinton’s campaign promise to reduce White House staff), but by 1999 the number of personnel on the staff exceeded 200.

The politically appointed staff members were supplemented by a larger number of personnel seconded from Executive Branch Departments such as State and Defense. The theory behind this arrangement was that political appointees bring with them fresh ideas and an understanding of the Administration’s priorities that can be coupled with the experience of career civil servants and military officers who supplement the staff and who know how to get things done within government bureaucracies. Detailed staff members also bring with them a certain amount of loyalty to the Department or Agency to which they will eventually return, which can affect how they approach issues and decisions. Career civil servants and military officers also provide continuity when Administrations change. While they may eventually be replaced by the incoming APNSA, they usually serve throughout the transition period when the national security decision making apparatus may be especially vulnerable.

The staff is divided into administrative and substantive roles, depending on the President’s requirements and the preferences and influence of the APNSA for whom they work. In policy and strategy development, the staff often plays a coordinating role as brokers of interagency agreements, but occasionally it assumes a more substantive role of selecting options and making policy and strategy recommendations directly to the APNSA. The APNSA may take these staff recommendations directly to the President, bypassing the NSC and interagency process. However, to the extent that he/she does this, their image as an honest broker for the

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<sup>46</sup> When the NSC/DC is given responsibility for crisis management, it is redesignated as the Deputies Committee/CM (i.e., crisis management). See the section on strategy and policy implementation and the discussion of PDD-56 therein.

<sup>47</sup> As previously noted, the current Bush Administration eliminated the term “Interagency Working Group” and replaced it with “Policy Coordination Committee.” See NSPD-1.

<sup>48</sup> Detailees normally serve in a non-reimbursable status—that is, their salaries continue to be paid by the Departments and Agencies from which they came.

interagency community suffers. As members of the interagency perceive that the APNSA is not accurately representing their positions to the President, they may, themselves, begin to end run the interagency process, which, ultimately, will lead to policy and strategy development problems.

Its relatively small size and the large workload taxes the staff's capability with, as at least one author has pointed out, an adverse impact on the quality of decision packages.<sup>49</sup> Its small size and the press of daily business also limit its ability to oversee implementation and to engage in long-range planning, although the NSC staff has attempted both from time-to-time. In short, the staff seems to focus on current crises, which leaves little time for longer-range planning.

On the other hand, because it is small and organizationally flat, the staff is inherently flexible and often fills vacuums it detects in Department and Agency capabilities. As several staff members pointed out during interviews, small is often a virtue because it permits more rapid action unencumbered by bureaucratic impediments. Those interviewed indicated that, in their experience, the size of the staff and the nature of the processes made it especially effective, although this judgment is somewhat subjective. The deference shown the NSC staff by others in the NSC system is illustrated by the fact that papers and memoranda prepared by the staff usually receive preferential treatment, at least in the Interagency Working Groups.

On occasion, tensions develop between the NSC staff, Departments and Agencies, and other members of the Executive Office of the President. Those with access to the President, may suggest alternative approaches that are not always NSC staff preferences. While this is sometimes frustrating to the staff, it is important that the President be able to acquire a range of views and options.<sup>50</sup>

**(5). Special Advisors and Emissaries** assist the President and the APNSA with particular problems. Although not part of the interagency process *per se*, these advisors are often experienced interagency players who know how to gain access to interagency resources when necessary. They are normally appointed for relatively long terms and are usually accountable to the President, not Congress or Executive Branch officials. An example of a special advisor is former Secretary of Defense Dr. William Perry, whom President Clinton designated to take the lead on improving relations with North Korea. Because special advisors and emissaries often report directly to the President, Executive Branch Departments and Agencies are sometimes uninformed about significant foreign policy issues.

## E. The Formal Interagency Process. (See Appendix 1 of this chapter for process map)

**(1). General.** This section describes the formal PDD-2 prescribed interagency process for policy and strategy formulation.<sup>51</sup> Although it is formal in the sense that it is prescribed by the President, it lacks some of the traditional trappings associated with other formal processes. Specifically, unlike the resource allocation processes, for example (which has specific dates and a cycle of events leading to a well-defined product), the PDD-2 interagency

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49 Augur, pp. 55-56.

50 NSC staff interviews.

51 This process may also be used for policy and strategy implementation, or it may devolve into the PDD-56 process described in the portion of this chapter devoted to policy and strategy implementation.

process is more fluid and less regulated in terms of timelines, direction of movement, and products.<sup>52</sup> Apart from authorizing the NSC, the Congress does not oversee the interagency process—although Congress can influence it by holding hearings involving some of the participants or drafting legislation *inter alia*. (See Volume III, entitled *Congress* for more detailed discussions of how the Congress influences strategy and policy development.)

**(2). Products.** Processes exist to generate products, including advice and decision packages. The interagency process must deal with a wide variety of issues that impact U.S. policy and strategy development, as well as implementation and resourcing. The nature of the products that result from the traditional interagency process depends on the level from which it is viewed. From the President’s perspective, the interagency process produces decision options; introduces alternative views; makes decisions below the Presidential level when appropriate; manages implementation of decisions; and assists in integrating “all aspects of national security policy.”<sup>53</sup>

At the NSC/PC level, the process is designed to obtain Presidential guidance and feedback; frame and refine issues; and produce policy and strategy options for NSC/PC deliberations and decisions and, when necessary, for consideration by the President. For the NSC/DC, the process provides a mechanism to obtain guidance from the President and the NSC/PC; identify and frame issues for action at the DC level or higher; and develop and manage policy and strategy. NSC/IWGs use the interagency process to identify, develop, and refine issues and options across several agencies.

**(3). Generating Policy and Strategy Issues.** The interagency process permits issue development at different levels. Issues may originate with the President and be passed downward through the NSC/PC and NSC/DC to the NSC/IWGs with appropriate refinements and guidance at each level. Or, NSC/IWGs may convince the NSC/DC that an issue merits consideration, thus surfacing it from the bottom up. Finally, issues may enter the interagency process from external processes, formal or informal (e.g., an issue raised at an informal meeting of the Secretaries of State and Defense with the APNSA that is subsequently passed to the NSC/DC for more detailed consideration or an issue that is raised by Congress during hearings).

**(4). Relationship with Other Processes.** Although a separate process exists for crisis management (PDD-56) and infrastructure protection (PDD-63), the processes described in PDD-2 are interrelated with those and other procedures, and implementation depends upon actions and decisions taken under the authority of PDD-2. Sometimes the PDD-2 process is used in lieu of PDD-56 or PDD-63. For example, those interviewed indicated that the process by which both Bosnia and Kosovo were managed resembled the PDD-2 approach more closely than the procedures in PDD-56. The PDD-2 process is also the model used by the NEC to develop economic and trade policy and strategies. Decisions made as a result of PDD-2 interagency deliberations often affect resourcing proposals made during preparation of the President’s budget, and are thus related to resourcing processes indirectly.

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<sup>52</sup> “Products” in this case may be no more than one page memoranda—far removed from the multivolumed *President’s Budget*, for example.

<sup>53</sup> PDD-2, p.1. In cases in which the President is selectively involved in national security issues, the ability of the NSC/PC to function effectively (including making decisions) seems crucial.

**F. How the Process Works.** Although interagency issues can originate from a number of sources, one way to illustrate it is to take a bottom-up approach. (Regardless of the approach taken—bottom-up or top-down—there are no fixed timelines that apply from one iteration to the next, and the process frequently does not flow linearly or sequentially.)

**(1). NSC/IWGs** exist to conduct interagency studies, develop and refine issues and options, and coordinate implementation of decisions. As noted previously, the IWGs are established and chartered by the NSC/DC and, in effect, work directly for the NSC/DC, which may specify frequency of meetings and membership. Assistant Secretaries from the appropriate Departments or NSC staff members chair NSC/IWGs. In the absence of detailed guidance from the NSC/DC, IWGs meet at the call of the chair, although IWG members often informally exert pressure to schedule meetings and shape agendas.

NSC/IWG members are supported by numerous intra and interagency task groups and *ad hoc* committees, which are important not only for their substantive work, but for building consensus early in the process. Task group and committee membership often includes Deputy Assistant Secretaries and action officers. For instance, a Deputy Assistant Secretary of Defense may chair a task group composed of members of his/her office, the Joint Staff, and the Department of State. This task group may provide information to an NSC/IWG for use during its deliberations. In addition to formalized task groups, action officers may informally discuss issues with counterparts in other Departments and/or Agencies and feed results back into IWGs.

Both IWGs and their supporting structures make some decisions that often are reflected in the types of assessments they do and the options they retain to pass on to the NSC/DC. Typically, the NSC/IWGs report out to the NSC/DC, which may accept, modify, or reject their recommendations. On occasion, usually during crises, members of the NSC/PC or NSC/DC may seek out individual members of an IWG for information, thus bypassing the formal process. For example, the Under Secretary of Defense for Policy may converse directly with the Deputy Assistant Secretary of Defense for Near East and South Asian Affairs to gain information he needs for NSC/DC deliberations without consulting the working group as a whole.<sup>54</sup>

**(2). The NSC/DC** makes many of the decisions in the interagency process.<sup>55</sup> Its functions include providing guidance and direction to the NSC/IWGs, oversight of the interagency process, decision making, and resolving interagency disputes. PDD-2 instructs the NSC/DC to “serve as the senior sub-cabinet forum for consideration of policy issues affecting national security.” It also is charged to periodically review progress on “major foreign policy initiatives” and “existing policy directives,” and for “day-to-day crisis management.”<sup>56</sup>

The DAPNSA chairs the NSC/DC and has the authority to call meetings, determine the agenda, and ensure that appropriate papers are prepared.<sup>57</sup> He/she is enjoined to do this in consultation with other members; however, meetings are often held on short notice with minimum consultations or time for staffs to review the agenda and prepare briefing papers.<sup>58</sup>

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<sup>54</sup> Interviews with DoD staff members.

<sup>55</sup> See, for example, Augur, pp. 52-54 and interviews. The NSC staff has a larger volume of work than the NSC/DC, but it is work that is done at a lower level and without the same decision making authority or accountability requirements.

<sup>56</sup> PDD-2, pp. 2-3.

<sup>57</sup> PDD-2, p. 3.

<sup>58</sup> Interviews with DoD and DoS staff members.

The Deputies Committee is responsible for ensuring that issues are adequately analyzed, a full range of views is incorporated, appropriate options are identified, and relevant risks are assessed. Typically, the NSC/DC will establish and/or instruct an IWG, pass along the guidance it develops or receives from the NSC or NSC/PC, review IWG work, oversee necessary revisions, refine IWG packages, make decisions (or forward recommendations to the NSC/PC), and supervise implementation. Where disputes between agencies arise, the NSC/DC attempts to resolve them at their level or, if that is not possible, passes them to the NSC/PC for resolution.

Informal meetings of selected DC members play an important role. As noted in the Volumes IV and V on the Departments of State and Defense, these meetings are often freewheeling discussions in which rough decisions are made and then presented to the remainder of the DC for refinement and validation.

**(3). NSC/PC** is the senior interagency forum short of the NSC. It examines issues and makes appropriate decisions, ratifies decisions made by the NSC/DC, and/or passes issues to the President for his consideration. In the present example, issues and options developed initially at the NSC/IWG would be passed to the NSC/DC, where they would be refined once again, and passed to the NSC/PC for ratification or for the Principals' decision.

When the NSC/PC reaches a decision (or ratifies a decision made by the NSC/DC), it passes the decision and applicable instructions to the NSC/DC for implementation. When necessary, the NSC/PC passes the decision package to the President for his decision, which, when obtained, is passed to the NSC/DC for implementation. Typically, issues passed to the President are those which the Principals' Committee either cannot resolve or which are of such significance that a Presidential decision is required (e.g., a foreign policy decision with major domestic political implications).<sup>59</sup>

**(4). The NSC**, while including much of the membership of the NSC/PC, is a separate body. Theoretically, the NSC/PC may pass issues to the NSC, which, according to PDD-2, advises the President on the appropriate course of action. In theory, the NSC meets "as required" and the Assistant to the President for National Security Affairs determines the agenda, based on guidance from the President and in consultation with NSC members. In practice, the NSC has not met as a body during the Clinton Administration except for its inaugural meeting.

**G. Security Policy Coordination Mechanisms.** PDD-29, promulgated in September 1994, created several new entities to develop and coordinate national security policy. These are the Security Policy Board; the Security Policy Advisory Board; the Security Policy Forum; and the Overseas Security Policy Board.<sup>60</sup>

**(1). The Security Policy Board.** This board, a successor organization to the Joint Security Executive Committee established by the Secretary of Defense and the Director of Central Intelligence (DCI), reports to the President through the APNSA. It consists of the DCI,

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<sup>59</sup> Interviews with NEC staff indicate that, in the Clinton Administration, the NSC/PC often defers to the President's political instincts and judgement for issues in which the PC envisions two or more solutions, each of which is satisfactory in itself but entail different levels of domestic political risk.

<sup>60</sup> [www.fas.org/irp/offdocs/pdd29.htm](http://www.fas.org/irp/offdocs/pdd29.htm) (Please note that the Security Policy Board, the Security Policy Advisory Board, and the Security Policy Forum were eliminated by the current Bush Administration's NSPD-1, which specifically revoked PDD-29 and assigned the duties of these three entities to various Policy Coordination Committees. See NSPD-1, p. 6.)

the Deputy Secretaries of Defense, State, Energy and Commerce, the Deputy Attorney General, the Vice Chairman of the Joint Chiefs of Staff, and “one Deputy Secretary from a non-defense related agency [on an annual rotational basis] and one representative from the Office of Management and Budget and the NSC staff.”<sup>61</sup>

The Board’s purpose is to “consider, coordinate, and recommend” U.S. security policy directives, including procedures and practices.<sup>62</sup> It is enjoined to do this in consonance with the following principles:

- (a).** Policies must realistically relate to threats but be flexible enough to accommodate changes that result from evolving threats;
- (b).** Policies must be consistent and facilitate resource allocation;
- (c).** Standards emanating from policies must be fair and ensure equitable treatment; and
- (d).** Policies, practices, and procedures must be effective at affordable prices.

Consistent with these principles (and except for matters that are the responsibility of the Secretary of State) the Board proposes and reviews “legislative initiatives and executive orders pertaining to U.S. security policy, procedures, and practices.”<sup>63</sup> The Board is empowered to coordinate these matters across the interagency spectrum and to resolve conflicts. Although the Board reports to the President through the APNSA, and not through the NSC system, conflicts that the Board cannot resolve are forwarded to the NSC/PC for resolution.

**(2). The Security Policy Advisory Board.** The Advisory Board consists of five Presidentialy appointed members who act as an independent security policy forum. The Advisory Board must report to the President annually on how well the Security Policy Board and others have adhered to the four principles highlighted in the preceding paragraph. It is also enjoined to provide a “non-governmental and public interest perspective on security policy initiatives to the Security Policy Board and the intelligence community.”<sup>64</sup>

**(3). The Security Policy Forum.** The Forum (originally an arm of the Joint Security Executive Committee before it became the Security Policy Board) is a subordinate element of the Security Policy Board. It has very broad interagency membership, and the Security Policy Board appoints the Chair. Members include representatives from the Office of the Secretary of Defense, the Joint Staff, the Military Services, the Defense Intelligence Agency, and the National Security Agency; the Central Intelligence Agency and the National Reconnaissance Office; the Coast Guard; the Departments of State, Commerce, Energy, Justice, Treasury, and Transportation; the Federal Bureau of Investigation; the Federal Emergency Management Agency; the General Services Administration; the Defense Information Systems Agency/National Communications System; the Office of Personnel Management; the

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<sup>61</sup> www.fas.org/irp/offdocs/pdd29.htm, p. 2. (Hereafter pdd29.htm.)

<sup>62</sup> pdd29.htm, p. 2.

<sup>63</sup> pdd29.htm, p. 3.

<sup>64</sup> pdd29.htm, p. 3.

Information Security Oversight Office; the Nuclear Regulatory Commission; the National Aeronautics and Space Administration; the Office of Management and Budget, and “other agencies’ representatives as invited.”<sup>65</sup>

The Forum exists to consider security issues raised by its members, the Security Policy Board, or others. As part of its consideration, it may develop policy initiatives and coordinate them; evaluate security policies and guide policy implementation; monitor security policies to ensure that they are equitable and support national security goals.

PDD-29 empowers both the Security Policy Board and the Security Policy Forum to establish interagency working groups as necessary to carry out their functions.

**(4). The Overseas Security Policy Board.** This Board is the successor to the Department of State’s Overseas Security Policy Group and generally focuses on specific security matters. It reports to the President through the APNSA and is chaired by the Director of the Diplomatic Security Service. Board members include representatives from the Departments of State (including the U.S. Agency for International Development), Defense (including the National Security Agency), Commerce, Justice (including the Federal Bureau of Investigation), Treasury, and Transportation; the Federal Aviation Administration; and the Office of Management and Budget.

The Board is empowered to “consider, develop, coordinate, and promote policies, standards, and agreements on overseas security operations.”<sup>66</sup>

**(5). Personnel.** The staff to support these entities operates under the auspices of the Security Policy Board and is funded by those activities that are members of the Board.

## H. Informal Interagency Processes.

**(1). General.** In *The Politics of U.S. Foreign Policy* Jerel Rosati argues that, despite a reasonably effective national security decision making structure, most Presidents rely primarily on informal consultations with close advisors.<sup>67</sup> In a similar vein, Robert Hunter suggests that the manner in which the President deals with the interagency system is more important than formal structures.<sup>68</sup> Still another observer, Alexander George, notes that Presidential personalities and learned behaviors often move them away from formal processes and into less structured methods where they feel more comfortable.<sup>69</sup> Each of these observers—and others—suggest that even though Presidents have substantial control over the design and operation of formal national security processes, they tend to rely on informal mechanisms. (The widely circulated photo of John F. Kennedy in a *tete-a-tete* with his brother Robert Kennedy during the Cuban Missile crisis is a poignant example.)

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<sup>65</sup> pdd29.htm, p. 3.

<sup>66</sup> pdd29.htm, p. 3.

<sup>67</sup> Jerel A. Rosati. *The Politics of U.S. Foreign Policy*. (New York: Harcourt Brace, 1993).

<sup>68</sup> Robert Hunter. *Presidential Control of Foreign Policy*. (New York: Praeger, 1982).

<sup>69</sup> Alexander L. George. *Presidential Decisionmaking in Foreign Policy: The Effective Use of Information and Advice*. (Boulder, CO: Westview Press, 1980).

As Presidents invoke informal methods, interagency processes sometimes take similar courses with informal systems often being abbreviated versions of more formal arrangements. When decision makers abandon or modify processes or opt for a less formal approach, doing so is not of itself grounds for criticism or concluding that formal processes are ineffective. This section describes several important informal processes that reflect the formal interagency process and help participants satisfy policy and strategy development requirements. (See the volumes entitled *Department of State* and *Department of Defense* for more detailed discussions of informal processes and process maps.)<sup>70</sup>

**(2). The Breakfast/Lunch Meetings.** (See Appendix 2 of this chapter for process map.) In both the previous Bush and Clinton Administrations, the Secretaries of Defense and State and the National Security Advisor have held regular consultations over meals. The Cheney-Baker-Scowcroft (or CBS) breakfasts were an almost weekly activity, with formal agendas, information papers and talking points, and post-breakfast taskings. The Albright-Berger-Cohen (ABC) lunches of the Clinton Administration are similar. The agenda is usually prepared by the NSC staff (in coordination with the staffs of the other participants) and distributed ahead of time. Staffs prepare briefing papers and talking points on those matters for which they have expertise. However, no staff attends the meetings as a rule. This guarantees confidentiality and perhaps a more open exchange as participants cease to represent their bureaucracies and are free to advocate what they deem the best options.<sup>71</sup> Staffs depend on feedback from the principals. Officials interviewed believe these events serve an important function for surfacing and resolving issues quickly, although some acknowledged that feedback to staff was not always timely or complete.

**(3). Weekly Foreign Policy Breakfast.** This informal event involves the ABC participants, plus the United Nations (U.N.) Representative, the DCI, and the CJCS, all of whom are involved in the National Security Council. No staff attends, the gathering has no prepared agenda, and discussions are reportedly far ranging. Occasionally, taskings for staff result from these meetings.

**(4). Weekly Deputies Lunches.** These are similar to the Foreign Policy Breakfasts except participants are members of the NSC/DC. (In DoD's case, the Deputy Secretary of Defense often attends instead of the USD(P), even though the Deputy Secretary is not part of the NSC/DC per PDD-2.)

**(5). The President-National Security Advisor Relationship.** APNSAs hold unique positions. How extensively they are able to use their position to work around the formal process depends on the amount of influence they have with the President. Henry Kissinger and Zbigniew Brzezinski were perhaps the most influential, often appearing to ignore the interagency process altogether. President Reagan's series of advisors were less so, and the Secretaries of State and Defense were more influential as a result. Brent Scowcroft and Samuel Berger appear to represent a middle of the road approach. They are given credit by interagency participants for honestly expressing the views of other NSC members as well as their own, although both occasionally took NSC staff perspectives directly to the President without interagency

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<sup>70</sup> Note that the senior national security officials of the current Bush Administration are also meeting weekly in informal sessions. However, these are often attended by the President or the Vice President.

<sup>71</sup> It is worth noting that "tank sessions" held by the Joint Chiefs of Staff (described in Chapter 5 entitled the "Joint Chiefs of Staff" in Volume IV entitled *Department of Defense*), although part of a formal process, invoke a similar level of candor.

consultation. The perception of the APNSA as an “honest broker” who adequately represents the opinions of others to the President is crucial to the APSNA’s relationship with other interagency actors. To a considerable extent, his/her ability to present others’ views is as important as the ability to function as a trusted advisor to the Chief Executive. The two may be inseparable.

The APNSA’s influence also depends on personality, bureaucratic skill, and whether they see their role as one of coordination or problem resolution. It also depends on how involved the President is in international affairs. While many APNSAs have had daily audiences with the President, others have not. In the first Clinton Administration, for example, Anthony Lake’s ability to influence national security was reportedly limited in part by the fact that the President was focused on his domestic agenda and did not meet frequently with the APNSA.<sup>72</sup>

The importance of their personal relationship is perhaps more important than the processes by which the President and the APNSA interface. National Security Advisors, unlike the majority of NSC members, are neither elected officials, nor are they appointed with the advice and consent of the Senate. They are accountable to the President of course, but not to the American people (through Senate confirmation for example), although they can and have made (or substantially influenced) decisions that affect the nation as a whole.

If they enjoy access to and influence with the President, their staffs tend to be more influential in the interagency process. This is especially true if the APNSA is seen as a spokesperson for Administration positions. At the least, NSC staffs may introduce a certain amount of friction to the interagency process as they maneuver for position, or they may antagonize interagency interlocutors if they insist that only they know the mind of the President.<sup>73</sup> They may also take on more work than can be effectively handled, given the staff’s relatively small size. That may require constant juggling, which leaves little time for planning or coordination. It can also result in decision packages that do not take advantage of the full range of expertise and options available in the interagency.

**(6). Importance of Personal Contacts.** Action officers from different divisions and Departments frequently hold informal discussions in a number of different venues to discuss substantive issues. Informal discussions also occur with members of the Congress and with their staffs, as described in Volume III entitled *Congress* (although in the main, Members of Congress and staffers interviewed for this study claimed consultations were not as frequent as they would like). Sometimes these discussions evolve as staff members prepare issue papers for their principals in support of the formal process. Sometimes they occur as staffers try to build consensus for proposals or recommendations. Occasionally they develop when members of the Executive Branch disagree with Administration policy and attempt to build support for change. Sometimes they occur as sidebars at hearings, conferences, meetings, or seminars.

The results and agreements reached through personal discussions are not always formally reported, but this networking is an important lubricant for the national security process at large. Participants in seminars and workshops report that the experience enables them to develop contacts that facilitate national security problem solving beyond the immediate meeting. What

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<sup>72</sup> See Augur for examples.

<sup>73</sup> Several of those we interviewed indicated that they saw this as a problem with the current NSC staff. Demonstrating this point conclusively would require a more complete analysis.

transpires through these informal contacts mirrors in many respects formal constructs used by businesses to flatten organizations and improve information exchange between divisions without invoking a cumbersome hierarchy (e.g., integrated process or cross-functional teams).

**(7). Personality as an Informal Process Driver.** Many interagency participants and observers note that personality figures prominently in successful policy and strategy development. The willingness of some participants to work closely together (or their unwillingness to do so); their desire to limit the number of people involved in decision making (or their willingness to expand it); and the agendas they select to satisfy personal needs, all impact on formal and informal processes. To the extent that requirements stemming from personality characteristics can be satisfied within the formal process, participants tend to stay within its confines. When these requirements are not satisfied by formal mechanisms, participants often modify formal processes or develop new, informal ones. Although they sometimes exclude important players, there are numerous indications that informal processes work—sometimes more effectively and expeditiously than formal ones.

## I. Observations.

**(1). Formal Process Value.** All Administrations have crafted formal interagency processes for dealing with traditional national security issues and problem solving. Although informal processes frequently replace portions of formal processes, formal approaches add discipline, serve as starting points for problem solving regimes, provide mechanisms for effective information exchange, and offer problem solving continuity. As information is exchanged and a range of perspectives considered, formal processes help develop best-of-breed options and build consensus among those who must implement them. Formal processes are also especially valuable when introducing new factors into the traditional national security equation (e.g., economics) and as a road map for new process players. In judging the effectiveness of formal processes, the following attributes are important:

- (a).** The extent to which the process provides for timely and accurate exchange of information;
- (b).** The extent to which it permits development of an appropriate range of realistic and viable options;
- (c).** The extent to which it discreetly accommodates consideration of all perspectives and positions, including dissenting opinions;
- (d).** The extent to which it facilitates disciplined and systematic option assessment and evaluation;
- (e).** Its capacity to identify risks (including political risks) and propose risk mitigation measures;
- (f).** Its capacity to make realistic and timely decisions or recommendations in appropriate formats;
- (g).** Its ability to effectively oversee implementation of decisions; and,

**(h).** Its capacity to make rapid midcourse assessments and adjustments as required by situation or environmental changes.

Participants' judgements of process effectiveness vary also according to their perceptions of how well existing processes are likely to satisfy individual and organizational agendas. To the extent that formal processes do not satisfy their expectations in some way, they are inclined to use informal mechanisms.

**(2). Informal Process Value.** Informal processes arise in each Administration and supplement formal processes. They often emerge when key players believe that formal processes do not adequately satisfy their needs, or will not do so quickly or discreetly enough. Some informal processes permit direct exchanges between the most senior participants with minimal staff involvement. This may allow participants at all levels to deal with issues from a best-value perspective instead of defending departmental turf in more formal discussions. While often effective, informal processes can short circuit broader information exchanges and produce options that have not benefited from examination and refinement by staff. Carried to extremes, informal interagency processes can undermine thorough decision making, complicate coordination across the interagency, lower staff moral, produce one-sided recommendations, escalate decision making to higher levels of the bureaucracy, and worse yet, produce bad decisions that are incapable of attaining stated objectives. In assessing informal process value, the need for discretion and speed must be weighed against the advantages of garnering additional information and options.

**(3). Integration of Nontraditional Elements.** Despite language in PDD-2 to the effect that the interagency process will involve political and economic elements, the structure of NSC supporting committees does not reflect this intent in the Clinton Administration. Neither the White House Chief of Staff's office, the President's political advisors, the Treasury, and/or the NEC<sup>74</sup> are represented on the NSC/PC or NSC/DC unless specifically invited. While each is represented at the full NSC level, below that council representation is apparently on a catch-as-catch-can basis. The implication is that, while their participation would improve the value of national security policy and strategy, they remain less than full partners in both formal and informal processes below the top process level. (The National Security Advisor and the Economic Policy Advisor do interact formally and informally, however, and they jointly staff the Office of Trade and International Economic Policy.)

**(4). The National Security Council Staff.** The NSC Staff is too small to adequately coordinate interagency matters, manage operations, conduct detailed analysis, and engage in long-term planning—all of which the staff occasionally attempts to do. To the extent that it takes on functions beyond traditional coordination, there is a danger that the quality of national security policy and strategy decisions may deteriorate. One illustration of the extent to which the staff has become increasingly involved in substantive matters—and perhaps over extended as a result—is the increased number of NSC/IWGs chaired by NSC staff. On the other hand, the staff can contribute in unique ways because of its closeness to the President and because its members are almost always experts in their fields. The Clinton NSC staff is a mix of academics and others from outside government (who provide insight and innovation unfettered by bureaucratic agendas) and career military officers, civil servants, and Foreign Service Officers

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<sup>74</sup> President Clinton created the NEC in 1993 to manage the interagency process for economic policy, and to integrate economics into national security thinking in a more effective way. Six of its 18 members are also members of the NSC.

borrowed from Executive Branch Departments and Agencies (who know how to make the bureaucracy work to implement solutions). The advantages to this approach are clear, although there is a risk that borrowed personnel may favor positions espoused by their parent organizations. (See Chapter 2 entitled “National Security Council” in Volume II entitled *Executive Office of the President* for a more complete discussion of NSC staff organization.)

**(5). Managing the Interagency Process.** The APNSA, assisted by the NSC staff, manages the formal interagency process for traditional national security applications, including developing agendas and chairing meetings. Always challenging, how well the process is managed has significant implications for the quality of interagency work and coordination, as well as on the amount of time and effort required to produce results.

Different Administrations have employed different management techniques. During the previous Bush Administration, for example, the National Security Advisor dealt with substantive matters, while his deputy was concerned with managing the staff and the interagency process. The “fetish for consensus building which tend to drive participants toward solutions acceptable to all but lacking in value” can complicate process management.<sup>75</sup> Consensus building is important, but when it becomes a primary objective, decision quality may suffer. Many interlocutors cited this, and over control by the NSC staff, for poor interagency coordination and performance in the past. The results of ineffective process management often include delayed decisions, requirements to rework analyses and recommendations, and frustration with efforts to produce amicable consensus instead of acknowledging differences and reaching best-value decisions. In short, ineffective interagency process management can drive officials at all levels toward informal processes.

### **3. The National Economic Council Interagency Process.** (See Appendix 3 of this chapter for process map)

**A. Background.** The National Economic Council (NEC) was created in January 1993 by executive order.<sup>76</sup> It was designed to coordinate domestic and international economic policy, to integrate economics with traditional foreign and national security activities, and to provide advice to the President.<sup>77</sup>

Unlike the NSC, the NEC is not a stand-alone office and is not codified in law, although the Senate confirms many Council members by virtue of the positions they hold elsewhere in the government (e.g., the Secretary of the Treasury).<sup>78</sup> The NEC staff lacks the institutional history and culture of the NSC, but often models its procedures after those used successfully by the NSC. Some NEC members are also members of the NSC. A few NEC staff members also serve on the NSC staff and, as noted in paragraph 2 above, the NSC and NEC jointly staff the Office of Trade and International Economic Policy. (See Chapter 1 entitled “National Economic Council”

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<sup>75</sup> Augur, p. 61.

<sup>76</sup> Executive Order 12835 dated January 25, 1993 (hereafter EO 12835). Its establishment was the direct result of a campaign promise made by President Clinton in 1992, although most Presidents have sought some mechanism to coordinate international economic policy.

<sup>77</sup> Note that NSPD-1 still refers to the “NEC” and the “Assistant to the President for Economic Policy,” but states that additional executive orders or NSPDs will address it.

<sup>78</sup> The NEC is part of the White House Office of Policy Development. Technically, this establishes the NEC at a level below the NSC in the hierarchy of the Executive Office of the President.

in Volume II entitled *Executive Office of the President* for a detailed description of the NEC and its operations.)

**B. NEC Composition.** The full NEC as prescribed in Executive Order (EO) 12835 has at least 18 members, which makes it larger than the NSC, although its staff is much smaller (about 30 personnel compared to approximately 200 on NSC staff). Council membership consists of the President, the Vice President, the Secretary of State, the Secretary of the Treasury, the Secretary of Agriculture, the Secretary of Commerce, the Secretary of Labor, the Secretary of Housing and Urban Development, the Secretary of Transportation, the Secretary of Energy, the Administrator of the Environmental Protection Agency, the Chair of the Council of Economic Advisers, the Director of the Office of Management and Budget, the United States Trade Representative, the Assistant to the President for Economic Policy, the Assistant to the President for Domestic Policy, the APNSA, the Assistant to the President for Science and Technology Policy, and the other officials of Executive Branch Departments and Agencies as the President deems necessary.<sup>79</sup> The staff is divided into international and domestic economic branches.

**C. NEC Functions and Purposes.** The NEC focuses on coordination and integration for broad policy issues concerning economics and trade. It does not supplant the Department of Treasury or any other member of the traditional economic community. The Secretary of the Treasury continues “to be the senior economic official . . . and the President’s chief economic spokesperson.”<sup>80</sup> The Director of OMB and the Chair of the Council of Economic Advisors (CEA) also continue to perform their traditional functions of budget preparation and analytical forecasting.<sup>81</sup>

The NEC has four primary functions as prescribed by EO 12385:

- (1). Coordinate domestic and international economic policymaking processes;
- (2). Coordinate economic policy advice presented to the president;
- (3). Ensure economic policy and programs are in line with the president’s objectives and that the president’s economic goals are effectively pursued; and,
- (4). Oversee implementation of the Administration’s economic agenda.<sup>82</sup>

**D. NEC Supporting Activities.** In making and coordinating policy, the NEC uses supporting structures similar to those used by the NSC, including a Principals Committee (PC), a Deputies Committee (DC), and a series of Interagency Working Groups.<sup>83</sup> The NEC maintains a close relationship with the NSC and the staffs of both activities (co-located in the Old Executive Office Building) coordinate on a daily basis. Daily coordination often involves the NEC and

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<sup>79</sup> EO 12385, p. 1.

<sup>80</sup> EO 12385, p. 2.

<sup>81</sup> EO 12385 and interviews with NEC staff.

<sup>82</sup> EO 12835.

<sup>83</sup> Interviews with the NEC staff revealed that the DC is used more for international economic issues than for domestic concerns. Domestic issues are often much more complex and arcane than international issues, thus working group experts often engage directly with PC members rather than through the Deputies Committee filter when the ultimate decision will be made by the PC.

NSC Directors and their Deputies. In some cases, especially those dealing with international economic issues, NSC and NEC staff members co-chair Interagency Working Groups. In other cases, the staff of one Council will chair working groups, while the other Council is represented in the working group membership.

**A**lthough there is a core interagency group consisting of the Secretary of the Treasury, the Directors of OMB and the NEC, and the Chair of the CEA, NEC Principals and Deputies Committees and Interagency Working Groups can have variable memberships, depending on the issues under consideration and the stakeholders involved. In this respect it differs from the NSC system in which PC and DC members are established by PDD-2. For example, discussions of international trade and economic matters typically (but not always) include representatives from the Department of Commerce, the Treasury Department, the Office of the U.S. Trade Representative, the NSC staff, the Export-Import Bank, and the U.S. Agency for International Development. The Departments of Justice and Transportation and others are represented on a case-by-case basis.<sup>84</sup> However, membership fluctuates and there have been cases in which significant issues were discussed without key stakeholder representation.

EO 12835 prescribes a staff directed by the Assistant to the President for Economic Policy, but provides no guidelines as to staff size. The staff is small compared to the NSC or the Office of Management and Budget, and lacks traditions and formal mechanisms to coordinate issues that exists for the NSC staff. (For example, the NEC has a staff of about nine—including administrative support—to coordinate all international trade and economic issues.)<sup>85</sup> The staff often uses protocols and procedures developed by the NSC staff to move actions through the interagency process or to prepare issues and policy and strategy recommendations. In the case of high-level visits, for example, the NSC and NEC often divide preparation requirements with the NEC taking lead for economic and trade issues. In cases where President Clinton makes a visit that is predominantly trade-related, the NEC staff may take the lead for the entire event, but sharing responsibilities with the NSC is more common. Workload arrangements between the two staffs are usually the result of informal coordination, often at the Deputy Director level, and there has been some friction in the past.

**E. The Formal NEC Interagency Process.** The establishing executive order allows the NEC to operate through “established or ad hoc committees, task forces, or interagency groups.”<sup>86</sup> It further specifies that “all executive departments and agencies shall cooperate with the Council and provide such assistance, information, and advice . . . as the Council may request.”<sup>87</sup>

Given this latitude, the formal interagency process used by the NEC is very similar to that used by the NSC, and President Clinton’s Director emphasizes the formal process as the best way to exchange information, develop policy options, and develop trust among participants.<sup>88</sup>

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<sup>84</sup> Interviews with NEC staff.

<sup>85</sup> Interviews with NEC staff.

<sup>86</sup> EO 12835, p. 2.

<sup>87</sup> EO 12835, p. 2.

<sup>88</sup> President Clinton’s last Director assumed his office during the Asian economic crisis—a time when the NEC interagency process was not especially effective. Interviews indicate that he was sensitive to these problems and made maintenance of the interagency process a priority. As one staff member noted with respect to international economics, international economics is about the exchange of information, and formal processes contribute significantly to the building of trust and the willingness of interagency participants to share information.

Staff interviews indicate that the Director believes that his two primary functions—serving as a key Presidential advisor and acting as an honest broker for the economic community in policy decisions—are best accomplished through the formal interagency process. This has not always been the case, and previous directors sometimes depended more on informal approaches. Occasionally, reliance on informal approaches (and the willingness of President Clinton to accept recommendations generated outside the formal process) has led to mistrust on the part of participants, who worry that decisions may be made that are contrary to their interests without appropriate coordination. Additionally, the formal process provides the forum for economists and foreign policy experts to gain appreciation for each other' perspectives. Given the NEC's emphasis on policy coordination and integration, the formal process approach appears to produce the desired results.

The formal NEC interagency process works in essentially the same manner as that used by the NSC. NEC/IWGs frame, analyze, and refine issues, making decisions as appropriate or passing issues to the NEC/DC. The Deputies Committee reviews issues passed to it by the working groups or by the Principals Committee. Like the NSC/DC, it makes decisions and oversees implementation. When appropriate, it refers issues to the NEC/PC for deliberation and decisions. The NEC/PC makes decisions on some issues and presents others to the President for his consideration. In terms of policy and strategy development, the NEC often formally presents its recommendations to President Clinton in joint NSC-NEC memoranda. At other times, the NEC Director in his role as the Special Advisor to the President for Economic Policy, coordinates recommendations with the APNSA, but presents them directly to the President. NEC staff indicated that when the Director presents recommendations to President Clinton, he represents the perspectives of all interagency stakeholders as an honest broker.

**F. Informal NEC Interagency Processes.** Like the NSC, the NEC employs informal processes to conduct much of its business, especially during crises. It uses issue-focused work groups composed of DC level participants, has informal meetings around meals, and encourages its staff to develop extensive networks. A senior NEC staff member noted that informal gatherings are also the venue in which long-range agendas are often developed and long-term policies are coordinated.

## G. Observations.

**(1). NEC Relations with Other Key Offices.** The NEC was established with the idea that it would operate collegially with other key economic policy players. To that end, the organization focuses on policy coordination, rather than policy implementation and oversight, and it has sought processes that would build trust and that were non-threatening. It also sought to portray itself as an honest broker willing to give fair consideration to all points of view as part of the policy development and coordination process and to accurately transmit guidance and decisions from senior Administration officials to economic policy network members. These values continue to be priorities for the NEC staff.

The NEC's attempts to establish and maintain its role appear to have been partially successful. Its relationships with Treasury, OMB, and CEA appear to be smooth and

productive for the most part.<sup>89</sup> Although a few members of the interagency community have sometimes sought to go around the NEC and deal directly with President Clinton, NEC staff noted during interviews that relations had improved in the last several years and there were few chronic tensions. Relations with the NSC also improved during the second Clinton Administration, and NEC staff reported that the relationship was collegial and productive; although the NEC staff also indicated that there were times when the NSC staff appeared not to take into account economic factors when considering major foreign policy issues.

Nevertheless, the extent to which unhelpful tension exists between the two staffs is difficult to determine. Certainly the mechanisms to improve coordination between them exist. PDD-2 and EO 12835 both provide for inter-council coordination and the NEC and NSC share some staff members. One observer noted that this joint staffing arrangement has done much to improve relations and provides those with joint positions two channels of access to President Clinton, although the unique nature of this relationship required careful oversight.<sup>90</sup>

Part of what appears as friction between the NSC and NEC may, in fact, be the result of the differences in staff size. It may also result from the fact that the NSC is a stand-alone organization within the Executive Office of the President, while the NEC is part of the Office of Policy Development, which includes the Domestic Policy Council. Finally, indications of friction come from the staff level and may not reflect the perceptions of the senior leadership. This may be akin to the description in Volume IV of this Addendum covering the Department of Defense in which some lower level officials believe the interagency process is dysfunctional while more senior players believe that it works well. One senior NEC member noted that the senior staffs of both Councils work constantly to convey an aura of cooperation to all staff members. For that reason, some relatively minor issues are dealt with at senior levels in order to convey the message that collaboration, not confrontation, is expected.

Another and potentially more troublesome part of the relationship between the NEC and other members of the interagency community is the ability of senior officials to “end-run” the NEC and go directly to President Clinton with economic agenda issues. Although this occurs to an extent with the NSC, the NEC seemed to be more victimized by it early in the Clinton Administration, if only because the President did not discourage it. The effect was to undermine interagency faith in the NEC and its processes, and this put the NEC staff and the Adviser to the President for Economic Policy behind the power curve. Undisciplined approaches make coordination more difficult and undercut effective policy development as participants focus on preservation of their agendas in a chaotic environment. Although process improvements will help alleviate this problem, President Clinton and senior White House staff members can contribute to the solution also. One helpful step involves ensuring that the Advisor for Economic Policy and the NEC staff are perceived as key players with inside tracks to the President similar to the stature accorded the NSC.<sup>91</sup>

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<sup>89</sup> No information was available with respect to NEC staff relations with other Council members. Interviews revealed that there is no relationship at all between the NEC and the Federal Reserve Board.

<sup>90</sup> I.M. Destler. *The National Economic Council: A Work in Progress*. (Washington, D.C.: Institute for International Economics, 1996), p. 67. (Hereafter cited as Destler)

<sup>91</sup> Suggestions that the NEC should be incorporated as an arm of the NSC have been raised occasionally. Combining the Councils might provide some advantages if the economic staff had equal footing with the foreign affairs and national security experts who constitute the NSC staff as it has been traditionally organized. NEC staff members noted during interviews that they believed combining the two staffs could result in placing economic issues on back burners unless senior members of the NSC staff had an economic focus.

**(2). The Formal Processes.** In addition to the President Clinton's occasional willingness to accept uncoordinated issues at the expense of the Advisor for Economic Policy, at times the NEC has contributed to the ability of senior officials to work around it by failing to follow the process itself (or at least giving that perception). The NEC process approximates the interagency system of the NSC in that it has a Principals Committee, a Deputies Committee, and Interagency Working Groups for both domestic and international economic policy coordination. Based on interviews, earlier failures to use this process effectively may have led to tensions and mistrust among participants, and this hampered communications and information flows. The failure of the processes to function as effectively as they should have came to a head about the time that the Asian economic crisis erupted. Gene Sperling, the Director who assumed his position about this time and who has emphasized the value of effective processes in facilitating policy development and coordination, appears to have corrected these problems.

Part of the earlier problems may have been that the early methods of operation adopted by Robert Rubin, the original Director, included a certain amount of informality, which made the NEC more agile and perhaps initially more acceptable to traditional economic policy makers. However, informality may have frustrated other participants. As is true for the NSC system, when players perceive that their agendas may not be satisfied through formal processes (and when there are no penalties for stepping outside the formal structure) they are likely to explore other avenues. Effective processes and fairness on the part of the NEC Director can contribute to participant satisfaction with the formal processes and make informal processes (which must be employed from time to time) more effective.

Another implication of the lack of discipline in the formal processes is that it may actually undermine the level of agility the NEC strives to attain. The lack of a disciplined problem solving apparatus can mean that addressing each issue or problem must begin with inventing a process to deal with it and deciding which Council member organizations should be involved. Getting the right players into the right process can require time, and that may actually reduce agility in time-sensitive cases.

**(3). NEC Staff Size.** As of mid-2000, the NEC had only about 15 percent of the staff assigned to the NSC. (The NSC staff numbered slightly over 200 at that time, as compared to about 30 on the NEC staff, or nearly seven times as large.) Although there are advantages to small staffs and flat organizations, there are also drawbacks.<sup>92</sup> The staff almost always operates in a crisis mode and cannot undertake longer range planning, which might help shape the international economic environment. It is dependent on external research and analysis (which may be biased in favor of the provider), although this is also the case with the NSC and OMB. Additionally, a small staff and a large workload contribute to staff fatigue, which may be a significant contributing factor to high turnover rates. Longevity on the NEC staff averages less than two years.<sup>93</sup>

Staff design should conform to the role envisioned for the organization. Clearly the NEC staff is too small to adequately oversee policy implementation. It usually is unsuccessful when it

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<sup>92</sup> One advantage according to the NEC staff is that they have access to the Director without going through several layers of bureaucracy.

<sup>93</sup> Staff interviews, December 1999 and January 2000.

attempts to do so.<sup>94</sup> It is also too small to coordinate or integrate effectively more than a few issues simultaneously, or to engage in reassessments of existing policy to any level of detail. The investment in a larger staff could likely increase the NEC's effectiveness.

**(4). Long Range Planning.** The NEC and its staff conduct limited long-range planning, and the definition of “long range” is limited to about one year. Depending on whether one believes that policy planning is an essential part of policy development and whether or not non-economic planning concepts have value to economic questions, the inability to do long-range planning may be a shortcoming. The inability to visualize and shape the future seems important to coordinating the efforts of myriad economic policy players and to developing and assessing the right issues. Conversely, one can make a case that long range economic plans are often overcome by events.

Interviews with senior NEC staff indicate that while resources and staff size have some impact on long range planning capabilities, interagency participants often have little incentive to engage in long range planning. Unlike the Department of Defense, which has special staff sections that focus on planning, most other Departments and Agencies use their staffs to deal with both current events and strategic planning. The press of events and the limits of time combine to make managing the current crises the highest (and sometimes the only) priority. Events tend to drive the activities of interagency participants because that is where an Administration’s most senior officials place the emphasis. When longer range planning occurs, it is generally done in informal groups and in response to some anticipated event, such as Congressional action that forces an Administration to re-think its agenda.

**(5). NEC Not Codified in Law.** The 1947 National Security Act (as amended) provides the legal basis for the NSC, and that legal basis is one of the sources of the NSC's power. The NEC exists solely because of an Executive Order. Unlike the NSC, it is not a separate organization, but part of the Office of Policy Development. A case could be made that the NEC could operate more effectively in the interagency venue if it were codified in law. Doing so would increase its stature within the community and help ensure it had funding and other resources that would improve its effectiveness. One way of codifying it is to adopt language similar to that used for the NSC in the 1947 Act. This approach would legally establish the NEC as an entity with general responsibilities, but permit Presidents broad latitude to assign specific responsibilities and adjust the Council membership to conform to strategic requirements. On the other hand, absorbing the NEC into the NSC, while placing an emphasis on senior economic NSC expertise, could possibly accomplish the same objective.

#### **4. Federal Response Plan**

**A. Background.** The Federal Response Plan (FRP) uses an interagency like process to produce a plan. It has one foot planted in the policy and strategy development sphere and the other in the policy and strategy planning and implementation arena. The Plan “establishes a process and structure for the systematic, coordinated, and effective delivery of federal assistance” during emergencies and disasters within the United States to augment state and local efforts.<sup>95</sup> However, from an interagency process perspective, the plan acts as a focal point and forcing function for interagency and federal-state-local government policy and strategy

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<sup>94</sup> See Destler.

<sup>95</sup> *The Federal Response Plan, Basic Plan*, April 1999, p. 1. (Hereafter FRP).

development, planning, and preparation activities. Succinctly, the plan provides policies, assumptions, and concepts for federal agencies with response, relief, or recovery responsibilities. It describes the services available to the States from the Federal Government and groups these services into 12 Emergency Support Functions (ESFs) and prescribes procedures for accessing them. Each ESF is the primary responsibility of a single federal agency, although other organizations are assigned support responsibilities.

The plan may be implemented “in anticipation of a significant event” or in response to a Presidentially declared emergency.<sup>96</sup> When implemented, the federal government may provide specialized teams, materiel, and/or facilities to assist state and local governments. Assistance may include food; power generation equipment; emergency assistance to reopen transportation networks; shelter and sanitation facilities; water purification capabilities; clearing debris; medical assistance; and emergency communications, *inter alia*.

The FRP may be implemented as a stand-alone response, or it may be implemented in conjunction with other disaster and contingency plans. These include:

(1). The National Plan for Telecommunications Support in Non-Wartime Emergencies;

(2). The National Oil and Hazardous Substances Pollution Control Contingency Plan (also known as the National Contingency Plan);

(3). The Federal Radiological Emergency Response Plan; and

(4). In response to terrorist activities pursuant to PDD-39 and PDD-63 requirements (including WMD Incidence Plan and the Plan for the Federal Response to Acts of Chemical/Biological Terrorism).<sup>97</sup>

**B. Plan Organization.** The FRP consists of the:

(1). **The Basic Plan**, which is a policy document designed to guide federal, state, and local agencies prepare plans and access assistance.

(2). **Twelve Emergency Support Function Annexes**, which are implementation documents that assign specific missions and responsibilities for providing assistance in various functional areas. The ESF Annexes are:<sup>98</sup>

(a). **Transportation.** Prescribes procedures to augment state and local transportation capacities during emergencies including request processing procedures, Movement Coordination Center operations, damage assessment, and designing and implementing alternative transportation systems.

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<sup>96</sup> “FRP... at a Glance.” States may request federal disaster assistance and the federal government may provide it under the provisions of the Robert T. Stafford Disaster and Emergency Assistance Act (Title 42, U.S.C., Section 5121).

<sup>97</sup> *FRP*, pp. 2-3.

<sup>98</sup> *Federal Response Plan with Annexes*.

**(b). Communications.** Prescribes and coordinates federal actions to provide telecommunications support for national security and emergency purposes and the restoration of permanent capacities for federal, state, and local entities.

**(c). Public Works and Engineering.** Provides technical assistance and evaluation as well as engineering services (both directly and through contractors) for construction, inspection, debris clearing and removal, repair of critical utilities, emergency transportation system repairs, and real estate support.

**(d). Firefighting.** Prescribes procedures for providing personnel, equipment, and related supplies to suppress fires on federal lands and to assist state and local authorities suppress fires in both urban and rural environments.

**(e). Information and Planning.** Details procedures for the collection, analysis, and dissemination of information concerning actual or potential emergencies and the integration of supporting agencies into operations centers and response teams.

**(f). Mass Care.** The only ESF for which a non-governmental agency has responsibility (the American Red Cross), this annex prescribes procedures and coordinates efforts to meet food, shelter, and first aid requirements, including establishment of bulk distribution systems and collection of individual victim information.

**(g). Resource Support.** Provides procedures for support during immediate response operations for emergency supplies, facilities, office equipment, telecommunications equipment, contracting, transportation (in conjunction with ESF 1), security services, and personnel to augment other efforts, as well as support for requirements that are not the responsibility of other ESFs.

**(h). Health and Medical Services.** This annex is designed to provide supplemental assistance to state and local authorities including needs assessment, surveillance, medical personnel, and medical equipment and supplies.

**(i). Urban Search and Rescue.** Prescribes procedures for establishing and mobilizing task forces that provide specialized assistance including locating, extricating, and providing medical treatment to victims in collapsed structures.

**(j). Hazardous Materials.** Prescribes procedures for providing federal assistance to state and local governments confronted with hazardous materials disasters or hazardous materials problems that arise in the course of other disasters and emergencies.

**(k). Food.** Prescribes procedures for identifying food requirements and supply sources, securing stocks, and transporting them.

**(l). Energy.** Prescribes procedures for federal assistance in restoring energy systems. Support for restoring systems includes support for producing, refining, transporting, generating, transmitting, and conserving.

**(3). The Recovery Function Annex.** Describes policies and planning assumptions to assist affected communities' return to normalcy following a disaster.

**(4). Supporting Annexes.** Describes policies for specific activities related to disaster assistance such as community relations, Congressional relations, and donation management.

### C. Plan Preparation.

**(1). Responsibilities.** The Federal Emergency Management Agency (FEMA) has overall responsibility for drafting, coordinating, reviewing, and updating the FRP. In coordination with 26 other signatory agencies and activities, FEMA prepares the basic plan. The ESF Annexes are prepared by activities designated as primary agencies, assisted by other activities designated as support activities. All activities provide input for the Recovery Function Annex and Supporting Annexes as appropriate.

**(2). Preparation Process.** The Basic Plan outlines a simple planning process for ESF Annex preparation. Essentially, at the national level, the Catastrophic Disaster Response Group (CDRG), which consists of senior representatives from each of the 27 signatory activities (26 Federal plus the Red Cross), provides policy and guidance to a subordinate Emergency Support Function Leaders Group (ESFLG). The ESFLG “is the principal body that addresses FRP planning and implementation at the working level.”<sup>99</sup> The ESFLG develops and resolves overarching issues. When issues require adjudication at a higher level, the ESFLG passes them to the CDRG.

The current FRP was published in April 1999 and is the latest version of an effort that began in the early 1980s. Rather than rewriting the plan, it is updated as required following periodic reviews. ESF Annexes are the responsibility of the primary and supporting agencies. These Agencies and their responsibilities are shown in Table 2 below.<sup>100</sup>

**D. Observations.** The FRP represents an interagency attempt to simultaneously develop policies, strategies, and implementation plans for dealing with a wide range of disasters and emergencies. These disasters may occur naturally or be the result of accidental or intentional human intervention. The system established under FEMA’s control is inclusive and assigns specific responsibilities for providing materiel and services in 12 crucial areas, the disruption of which will have debilitating effects.

Although some of the ESF Annexes have been tested in actual disaster conditions (and there are provisions to exercise the capabilities in all annexes), the FRP has not had to respond to the full range of large-scale disasters, such as those that could result from terrorist activities involving weapons of mass destruction or a pandemic health catastrophe. Nevertheless, the approach and the plan appear to be sound and could form the basis for more aggressive planning for homeland security missions.

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<sup>99</sup> *FRP*, p. 29.

<sup>100</sup> *FRP*, p.14.

**Table 2. FRP Annex Preparation Responsibilities.**

Agency	Transportation	Communications	Public Works & Engineering	Firefighting	Information & Planning	Mass Care	Resource Support	Health & Medical Services	Urban Search & Rescue	Hazardous Materials	Food	Energy
Dept of Agriculture	S	S	S	P 101	S	S	S	S	S	S	P	S
Dept of Commerce		S	S	S	S		S			S		
Dept of Defense	S	S	P	S	S	S	S	S	S	S	S	S
Dept of Education					S							
Dept of Energy					S		S			S		P
Dept of Health & Human Services			S		S	S		P	S	S	S	
Dept of Housing & Urban Dev						S						
Dept of the Interior	S	S	S	S						S		S
Dept of Justice					S			S	S	S		
Dept of Labor			S				S		S	S		
Dept of State	S									S		S
Dept of Transportation	P				S		S	S		S		S
Dept of Treasury	S				S		S					
Dept of Veterans Affairs			S			S	S	S				
US Agency for Int'l Development								S	S			
American Red Cross					S	P		S				S
Environmental Protection Agency		S	S	S				S		P	S	
Federal Communications C'mission		S										
FEMA	S	S		S	P	S	S	S	P			S
General Services Administration	S	S			S	S	P	S				S
NASA					S		S			S		
Nat'l Communications System		P			S		S	S				S
Nuclear Regulatory Commission					S					S		S
Ofc Personnel Management							S					
Small Business Administration						S						
Tennessee Valley Authority	S		S									S
U.S. Postal Service	S						S		S			

P = Primary Agency; oversees ESF preparation

S = Supporting Agency; supports primary agency

## 5. The Role of Congress in Policy and Strategy Development.

**A. Background.** There have been some common interests between the Congress and the Executive Branch with respect to national security in the past. However, the Congress, in accordance with its Constitutional responsibilities, has often challenged Administration policies, strategies, and programs, and, in doing so, sets the stage for important debates. As one observer noted, “Congressional deference to the Executive's foreign policy was the exception” over the

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101 The Forest Service has primary responsibility within the Department of Agriculture, based on its experience with forest fires.

life of the Republic.<sup>102</sup> At a minimum, through hearings and legislation the Congress ensures that the Administration thinks through its policies and strategies during development. The Congress has oscillated between defining objectives and limits in a general sense to intervening in minute details and the organizational structure of Executive Branch Departments.<sup>103</sup> When Administrations establish partnerships and consult with the Congress, the Legislative Branch can be of great assistance, especially in building public support. Conversely, the Congress can help mobilize public opinion against Administration activities as it did during the Vietnam War.

Congressional interest in national security policies and strategies is rooted in a number of different areas. Programmatic certainly enter into some calculations, but so do large ethnic constituencies and their demands. And, as one Member recently noted, sometimes the Congress becomes involved in policy and strategy development out of partisan political motives.<sup>104</sup> More importantly, Members of Congress have Constitutional responsibilities with respect to national defense and foreign relations, and these duties are significant. Thus, the Congress is involved because their involvement is a responsibility in democratic governments and because by Constitutional design and custom “without Congressional support, the Executive cannot sustain long-term policies.”<sup>105</sup>

Congressional involvement, although sometimes viewed with consternation by Executive Branch officials, can have a positive affect. This is especially true in cases where the Administration builds consultative relationships with key Members on both sides of the aisle and with their staffs. This is not to imply that there will not be tensions between the two branches—those will occur under the best of circumstances and should. The trick is to make those tensions creative rather than disruptive.<sup>106</sup> As Senator Chuck Hagel recently put it, “policies must be relevant to challenges” and the Congress has a responsibility to help the Executive Branch come to grips with relevancy.<sup>107</sup> One veteran of the House Committee on International Relations believes the two branches work best together when the Congress is involved in development and formulation of policy and strategy, but leaves implementation to the Administration.<sup>108</sup>

Building effective partnerships between the Administration and the Congress has been accomplished numerous times in the past, but usually depends in large measure on Administration willingness to share concepts with Congress in informal consultations and more formally in hearings and perhaps through other mechanisms.<sup>109</sup> In doing so, the President must play a leading role and “articulate a direction” in which policy and strategy should go.<sup>110</sup> By doing so, the Administration can define boundaries and establish priorities for debate. For its

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<sup>102</sup> Robert B. Zoellick. “Congress and the Making of US [sic] Foreign Policy.” *Survival*, Winter 1999-2000, vol. 41 no. 4, p.21. (Hereafter Zoellick)

<sup>103</sup> The recent Congressionally directed reorganization of the Department of State, which folded several formerly independent activities into State Under Secretary offices is one example.

<sup>104</sup> Chuck Hagel, Sen.(R-NE). “Connecting Foreign Policy: Relevance, Challenge, and the Need for Leadership” remarks given at the Trilateral Commission Annual Meeting, March 1999. [www.trilateral.org/annmtgs](http://www.trilateral.org/annmtgs), p. 3. (hereafter Hagel)

<sup>105</sup> Zoellick, p. 23.

<sup>106</sup> Lee H. Hamilton. “Congress and Foreign Policy” remarks given at the Trilateral Commission Annual Meeting, March 1999. [www.trilateral.org/annmtgs](http://www.trilateral.org/annmtgs) (Hereafter Hamilton).

<sup>107</sup> Hagel, p 1.

<sup>108</sup> Hamilton, p. 1.

<sup>109</sup> In his remarks to the Trilateral Commission, Mr. Hamilton suggested establishing a standing Consultative Committee, which would meet periodically with the President and his key foreign policy advisors. Hamilton, p. 3.

<sup>110</sup> Zoellick, p. 35.

part, Congress should, in the words of one observer, use its offices to “expose foreign policies to public view and debate. . .[and] as a whole. . .debate and authorize major foreign-policy moves.”<sup>111</sup>

To some extent, the Congress does these things now and the ways in which it influences national security policy and strategy formulation are described in the following paragraphs. (See Volume III entitled *Congress* for a more detailed description and discussions of how key Congressional Committees operate.)

**B. Congressional Processes.** Although the Congress does not participate directly in the internal Administration processes described earlier, the Congress exerts influence over strategy and policy development in a number of ways.

Formally, by holding hearings, Committees can spotlight important strategic issues. Through the hearing process and subsequent reports, Congressional Committees can influence the Administration’s choice of strategic options by identifying those it supports and those it considers unacceptable. It can also produce Committee and staff reports that spotlight issues and help focus public attention on strategic options and policies. This may push a strategy debate into the public eye, or it can influence a debate in favor of (or against) a specific proposal.

By constructing authorization bills and bills that regulate various aspects of national security (such as the organization or structure of Agencies and Departments, legal authorities, and nominations for high office via the confirmation process), the Congress can affect the Administration’s strategic options and its resources to carry them out. By using the “power of the purse,” the Congress can influence strategy development by the amount of funding it authorizes for various Executive Branch departments, agencies, organizations, programs, or activities. According to Hill staffers, the most effective way to influence Administration behavior and shape its actions is by placing restrictions on funding.<sup>112</sup> Through conferences to reconcile differences in House and Senate versions of authorization bills, Members can influence each other’s views.

The Constitutional responsibility for “advice and consent” grants Senate Committees significant influence over various policy and strategy development issues via hearings and consideration of nominations and promotion to senior positions. The ability to delay or deny a President confirmation of a specific individual for high office—or to extract promises from the nominee or Administration in return for a favorable recommendation—is a significant lever. Although these promises may not be legally binding, they serve as “hooks” for future debate. The Senate also conducts hearings on treaties and in doing so shapes policy and strategy development by indicating the limits of acceptability.

In addition to these measures, if Members who are powerful and well respected oppose certain concepts, the Administration may discard some strategic options that are seen as politically risky in terms of obtaining Congressional approval. This is not to suggest that Administrations are unwilling to challenge Congress on matters Presidents believe are important. The evidence clearly indicates the opposite to be the case. However, during strategy development, Administration officials are likely to take into consideration the prevailing

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<sup>111</sup> Zoellick, p. 37.

<sup>112</sup> Interview with Senate Armed Services Committee staff.

sentiment on the Hill as reflected in a powerful member's pronouncements.<sup>113</sup> This is especially true of relevant Committee Chairs, given the Committee's ability to influence structure and operating procedures or place limits on how funds can be expended for strategy implementation.

In a general sense, then, the Congress influences policy and strategy development by holding hearings introducing Authorization and Appropriations legislation; by exercising oversight of Departments and Agencies and conducting or directing investigations; and, in the case of the Senate, by approving Administration appointments to senior positions and treaties. Congress' specific actions with respect to appropriations are contained in the last section of this chapter dealing with national security resource allocation.

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<sup>113</sup> For example, according to a former Senator, when Senator Nunn chaired the Senate Armed Services Committee, his reputation and ability to influence other senators on defense matters was such that Administration officials considered how he would react to policy and strategy matters during formulation.

### **SECTION III. PLANNING AND IMPLEMENTATION OF NATIONAL SECURITY STRATEGY AND POLICY**

#### **1. Background.**

**A. General.** Planning and policy implementation is an extension of strategy and policy making. In most cases, the way in which a policy is implemented is determined by the issue at hand, by the principal players in the formulation of that policy, and by the elements of the policy. For example, diplomatic elements of a policy are likely to be carried out by the State Department, military and defense aspects by the Department of Defense (DoD), and Congressional strategies by the White House. Policy implementation may also occur by directing the development of a political-military plan, for example in cases where the policy addresses a crisis abroad.

Technically, policy implementation begins with the release of a Presidential decision to Executive Branch agencies for implementation, whether in the form of a Presidential Decision Directive, an Executive Order, a memorandum recording the conclusions of an NSC discussion, or through a speech or other pronouncement by the President or one of his national security advisers. The decision is then released to the Executive Branch departments and agencies to be carried out. The National Security Council structure is responsible for overseeing that the policy has been implemented satisfactorily.

**B. Formal Process for Monitoring Policy Implementation.** During the Clinton Administration, the established means of overseeing the implementation of national security policy was through the process described in PDD-2. However, a system of informal meetings among key national security players (such as the National Security Adviser, the Secretary of Defense, the Secretary of State, and occasionally the Chairman of the Joint Chiefs of Staff (CJCS), the Director of Central Intelligence (DCI) and the U.S. Representative to the United Nations (UN)) supplemented and occasionally substituted for this formal process.

For policy that applies to complex crises with humanitarian aspects, the Clinton Administration developed a blueprint for a formal implementation process, described in PDD-56. As interviews highlighted, however, this process was primarily observed in the breach. The Clinton Administration also developed a process for formulating and implementing policy relating to the protection of critical infrastructure, described in PDD-63.

This section describes the PDD-2 system for policy and strategy implementation, building on the discussion in the preceding section. It also examines the PDD-56 and PDD-63 processes as they relate to the implementation of national security policy; addresses the informal processes used to coordinate different agencies' positions and actions; and offers some conclusions about the structure and effectiveness of the interagency for national security policy implementation.

#### **2. The PDD-2 Processes for Strategy and Policy Implementation.<sup>114</sup>**

**A. The Formal PDD-2 Process.** As noted in the section on Strategy and Policy Development, PDD-2 is the Clinton Administration's organization for interagency participation

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<sup>114</sup> As previously noted, the current Bush Administration replaced PDD-2 with NSPD-1.

in national security matters. It describes a structure of committees of varying seniority designed to oversee the development and implementation of national security policy at the interagency level. PDD-2 assigns different tasks relating to policy implementation to the NSC Principals Committee (NSC/PC), the NSC Deputies Committee (NSC/DC), and Interagency Working Groups (IWGs.).

**(1). NSC/PC.** PDD-2 establishes the NSC/PC as the body responsible for reviewing, coordinating, and monitoring the development and implementation of national security policy overall.

**(2). NSC/DC.** The NSC/DC is the principal body overseeing the implementation of policy, especially in crisis management.<sup>115</sup> According to interviews, the NSC/DC meets on average weekly, and during crises such as Kosovo, as frequently as five times weekly.<sup>116</sup> It is not clear, however, whether the NSC/DC regularly carried out policy reviews to monitor the implementation of Administration policy during the Clinton years. As described below, the NSC/DC oversees interagency planning for complex contingencies through the process established by PDD-56.

**(3). IWGs.** PDD-2 assigns to IWGs responsibility for coordinating the implementation of Presidential decisions. In the Clinton Administration, IWGs are both permanent and ad hoc, and are structured around regional or functional issues. During the Clinton Administration, approximately two dozen IWGs existed at any one time.<sup>117</sup>

**B. The Actual Interagency Process for Policy Implementation.** During the Clinton Administration, interagency coordination of policy implementation appeared to occur ad hoc. Despite the hierarchy of responsibility described by PDD-2, the systematic monitoring of policy implementation at the interagency level appears to be the exception rather than the rule.

On some policy issues, such as NATO enlargement and counterterrorism, it appears there was a systematic, coordinated policy implementation effort. For NATO enlargement, implementation ran on two tracks: a negotiated process with the NATO allies and Russia run out of the State Department by Deputy Secretary Strobe Talbott, and a Congressional outreach effort run out of the National Security Council under the leadership of National Security Advisor Samuel Berger.<sup>118</sup> For counterterrorism policy, there is a process at the interagency level to monitor the execution of policy.<sup>119</sup>

In most other cases, however, the NSC organization does not consistently follow the implementation of policy. A number of interviewees, for example, indicated that the NSC staff is late in distributing the interagency memoranda detailing decisions and required follow-up after

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<sup>115</sup> Interviews with DoD staff, June 22, 1999, and State Department Staff, September 28, 1999.

<sup>116</sup> Interview with State Department staff, September 28, 1999.

<sup>117</sup> Donald L. Kerrick, Presentation to the National War College, November 13, 1997. As previously noted, the current Bush Administration's NSPD-1 replaced "Interagency Working Groups" with "Policy Coordination Committees."

<sup>118</sup> James M. Goldgeier, *Not Whether but When: The U.S. Decision to Enlarge NATO*, (Washington, D.C.: Brookings Institution Press, October 1999.) This book provides an authoritative description of the Clinton Administration's decision making and implementation of NATO enlargement.

<sup>119</sup> Interviews conducted for organizational description of National Security Council.

NSC/DC meetings, and occasionally these memoranda are never distributed.<sup>120</sup> The uneven oversight of policy implementation may be due partially to the workload assumed by the NSC committee structure. Interviews indicated that during the Clinton Administration, coordination of policy issues tended to occur at levels higher than the IWGs, and primarily at the level of the NSC/DC. As indicated above, the NSC/DC met weekly and almost daily during crises to address new or continuing national security issues. This schedule may preclude high-level interagency attention to policy implementation and follow-up, unless greater use is made of the IWGs for less pressing policy issues.

The limited staffing of the NSC organization may also impact its ability to review policy implementation. The NSC's professional staff numbered about 200 under the Clinton Administration.<sup>121</sup> This staff was responsible for managing the interagency committee process, providing analytical support to the President through the National Security Advisor, preparing the President and National Security Advisor for meetings with foreign leaders and for the President's travels, assisting in the preparation of Congressional briefings and responses to Congressional inquiries, and maintaining contact with the national security agencies, including participating in interagency meetings. One senior observer of the policy process observed that, given the workload of the NSC staff, the NSC organization is too thinly staffed to monitor the implementation of each national security policy decision.

**C. Means to Improve National Security Policy Implementation.** A number of observers commented that current and future national security challenges require the ability to draw from various assets of the U.S. government for national security policy implementation, including the nation's military, diplomatic, intelligence, humanitarian, economic, and domestic preparedness assets. These observers noted that the process laid out in PDD-2 has the elements to provide that integrated approach, as it is designed to include all Executive Branch agencies involved in the implementation of a particular policy.

These interlocutors, however, identified two problems with the way the PDD-2 process was implemented. First, the NSC committees tend to focus primarily on the crisis of the moment and forego long range planning or oversight of policy implementation. Second, the NSC staff occasionally oversteps its role as policy coordinator and seeks to control the development and implementation of policy. According to several of those interviewed, the NSC staff is most effective when it acts as an "honest broker" among the various interests and perspectives represented in the Executive Branch. In this role, the NSC staff coordinates meetings and discussions designed to bring out the differences among the various policy players; distributes information as appropriate; and oversees the implementation of the different aspects of the policy. As an "honest broker," however, the NSC staff should not become involved in the implementation of policy, for example by participating in international delegations, giving policy making speeches or interviews, or lobbying Members of Congress and Congressional staff, because in so doing it may compromise its reputation for impartiality.

The "honest broker" model for the NSC staff has limits. The NSC staff will inevitably influence policy because of its proximity to the President. The National Security

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<sup>120</sup> Interviews at the Department of Defense and Department of State.

<sup>121</sup> Information derived from interviews with NSC staff and an NSC briefing entitled "The National Security Council and the Interagency Process," which was provided by the NSC staff. For more information on the organization of the NSC structure, see the organizational description of the National Security Council, in Volume II.

Advisor, for example, can influence the outcome of an interagency policy debate by virtue of being the last person the President consults before making a decision. Similarly, the NSC staff's role in preparing the President for his travels and speeches provides an opportunity to influence a policy decision or the implementation of a policy. To the extent that the NSC staff can retain an impartial role as a coordinator, however, it will have greater authority in holding the Departments accountable for their involvement in policy implementation.

### 3. PDD-56.<sup>122</sup>

**A. General.** In cases where a policy involves U.S. involvement in complex contingencies that require multidimensional responses (including military, diplomatic, intelligence, and humanitarian instruments) the Clinton Administration established an implementation process described in PDD-56.<sup>123</sup>

PDD-56 details the procedures for the interagency to follow in planning for crisis management. It involves decision making by the interagency structure established by PDD-2; subsequent planning for the contingency and monitoring the plan's implementation by an Executive Committee (ExComm) made up of officials from all the Executive Branch agencies that would participate in the operation; and review of lessons learned after the operation is complete.

In its procedural detail, PDD-56 represents a departure from the practice of previous administrations, which relied primarily on the standard interagency process of meetings at the NSC level (such as those described in PDD-2 and, during the previous Bush Administration, in National Security Directive 1, for crisis management). It also reflects an understanding on the part of the Clinton Administration that crisis management in the post-Cold War world requires the application of a number of elements of national power simultaneously and in a coordinated fashion.

As envisioned by the Clinton Administration, successful crisis management requires adroit application of numerous separate elements to nontraditional problems. Previous operations suggested to Clinton Administration officials that crisis management exhibits three unique characteristics that require unique management structures. First, time for deliberation and planning is relatively short.<sup>124</sup> Second, policy decisions must be coordinated first in Washington, then with those in the field who must implement them. Third, complex contingencies often require assets from governmental and non-governmental activities that do not normally participate in national security policy and strategy development or the interagency process described by PDD-2.

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<sup>122</sup> Note that the current Bush Administration's NSPD-1 specifically revoked PDD-56 and transferred any existing "Executive Committees to appropriate regional Policy Coordination Committees." See NSPD-1, p. 5. One can only assume that the current Bush Administration intends to conduct "complex contingencies" via NSPD-1's standard processes. This appears to fit the Bush Administration's vision of limiting the NSC staff's involvement in developing and implementing policy.

<sup>123</sup> PDD 56 defines complex contingency operations as peace operations such as the implementation of the Dayton Peace Accord in Bosnia from 1995 to the present, the humanitarian intervention in northern Iraq known as Operation Provide Comfort in 1991, and foreign humanitarian assistance operations in central Africa in 1994 and Bangladesh in 1991. "White Paper: The Clinton Administration's Policy on Managing Complex Contingency Operations: Presidential Decision Directive – 56," May 1997 (Hereafter "White Paper PDD-56").

<sup>124</sup> This is not to say that there is not adequate warning of impending crises. Often there is sufficient warning, but the decisions to respond to the warnings do not occur until the crisis has already developed.

PDD-56 thus addresses means to involve all the potential assets of the U.S. government—and some outside the government—that might be brought to bear in a complex contingency through participation in the ExComm and in the development of the political-military (pol-mil) plan.

## B. Evolution of PDD-56.

### (1). Lessons of Past Operations.

President Clinton signed PDD-56 in May 1997. The directive represents an attempt to institutionalize the lessons the Administration learned about contingency operations during its first five years in office. By 1997, the Administration had dealt with operations in Somalia, Bosnia, and Haiti and a number of lesser crises elsewhere in Africa, the Middle East, and the Persian Gulf. Lessons from these operations indicated that most ventures were multidimensional problems that included political, diplomatic, intelligence, humanitarian, economic, and security requirements. They were, in a phrase, “complex contingency operations” conducted in response to “complex emergencies.”<sup>125</sup>

Although the interagency process described in PDD-2 might suffice to manage these operations, its focus was general and it lacked mechanisms to hold accountable those involved in achieving U.S. objectives, or to integrate effectively the comparative advantages U.S. government and non-government activities could bring to bear. In short, the Clinton Administration wanted to improve the likelihood of success in complex contingency operations by rapidly integrating a variety of solutions that mirrored crisis requirements.

**(2). Haiti.** Preparation for Operation Restore Democracy—the 1994 intervention in Haiti—was a key basis for PDD-56. In the process leading up to the operation, senior decision makers noted that interagency planning was uncoordinated, with critical gaps between participants’ plans and concepts, a lack of synchronization and timing of critical events, and unrealistic resource estimates. The NSC/PC instructed the interagency to prepare a formal coordinated plan for the operation. This document, the political-military (pol-mil) implementation plan, was then briefed to the NSC/DC and NSC/PC and refined. Many believe that the disciplined and interactive planning that occurred as a result of this process was instrumental in achieving U.S. objectives within acceptable risk and cost parameters.<sup>126</sup>

**(3). Subsequent Operations.** Success in Haiti, the effectiveness of the process to develop pol-mil plans, and the improved mechanisms for managing ongoing operations that resulted from the planning process led policy makers to adopt the process used for Operation Restore Democracy for other complex emergencies. Versions of this process were used for Bosnia, Eastern Slavonia, central Africa, and Kosovo, however, none of these crises used the process in its entirety. Although the process has not been used in every contingency for reasons that are not well understood, the process was nevertheless important enough to be codified in a Presidential Decision Directive.<sup>127</sup>

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<sup>125</sup> National Security Council. *Handbook for Interagency Management of Complex Contingency Operations*, August 1998. (Hereafter cited as: NSC, *PDD-56 Handbook*)

<sup>126</sup> NSC, *PDD-56 Handbook*, Chapter 1.

<sup>127</sup> Interviews with senior interagency participants indicate that apart from DoD, other agencies are not comfortable with formal planning regimes, which are not part of their cultures and for which they are not adequately resourced. This may account for the lack of extensive pol-mil plans in these operations.

**C. The Formal PDD-56 Process.** (See Appendix 4 of this chapter for process map.) This section describes the formal PDD-56 process. It is important to note that, as a rule, the entire process is not used, although portions of it usually are. In the case of both Bosnia and Kosovo, for example, the process was truncated.

**(1). Initiation.** The PDD-56 process begins with the decision by the national security apparatus to participate in a complex contingency operation. This decision will likely have been taken according to the process described in PDD-2. As PDD-2 envisions the process, at this point NSC/IWGs would have accumulated information and framed issues for the NSC/DC. The NSC/DC would have reviewed NSC/IWG input and made appropriate decisions or prepared options for the NSC/PC, which, if unable to decide, would have prepared recommendations for the President.<sup>128</sup> Throughout the PDD-2 process little formal interagency planning would have occurred, although agencies and activities would likely have begun internal planning regimes.

**(2). Chartering of the Executive Committee.** Specific formal PDD-56 processes begin when the NSC/DC charters the Executive Committee (ExComm), which is subordinate to the NSC/DC. The ExComm is made up of Assistant Secretary-level officials from all government agencies that are likely to participate in the contingency operation, including those agencies not normally represented in the NSC committee structure. ExComm members are held personally accountable to the President for the planning and implementation of the contingency operation.<sup>129</sup> The ExComm oversees both planning and implementation procedures and has the following primary responsibilities:

- (a).** Provides unified policy guidance for agency planners;
- (b).** Develops the pol-mil plan;
- (c).** Integrates mission area plans within the overall plan;
- (d).** Monitors ongoing operations, recommends modifications and changes, and oversees implementation of approved changes.
- (e).** Updates the pol-mil plan;
- (f).** Implements NSC/DC and NSC/PC decisions; and
- (g).** Conducts after-action reviews and captures and disseminates important lessons for future operations.<sup>130</sup>

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<sup>128</sup> This description of the interagency decision making process, while accurate, should not be interpreted as linear. Instead, there are likely to be repeated interchanges between levels, and informal meetings (such as Principals and Deputies lunches) will occur between participants at all levels.

<sup>129</sup> NSC, *PDD-56 Handbook*, refers to holding ExComm members responsible to the President as “the organizing principle of the ExComm.” (p. 9). This method of accountability seems to establish a sense of urgency and a mission-oriented culture, although it is not clear that members completely forego bureaucratic interests or cultural predilections during ExComm deliberations.

<sup>130</sup> NSC, *PDD-56 Handbook*, Chapters 2 and 3.

**(3). ExComm Structure.** As described in Clinton Administration documents, the ExComm is designed to be inclusive. The concept behind its organization is to “bring together representatives of all agencies that might participate in the operation, including those not normally part of the NSC structure.”<sup>131</sup> Actual ExComm membership is determined by the NSC/DC and theoretically may include both governmental and non-governmental members, although this study did not identify any cases in which non-governmental players actually had membership. The NSC/DC also appoints the ExComm chair, and the chair may designate other members to chair functional sub groups.

ExComm members not only represent their agencies, but also act as program managers for functional areas (e.g., weapons of mass destruction, civil reconstruction). In this role, they are responsible for producing appropriate portions of the pol-mil plan, as described in the next section. They are also responsible for implementing plans in their areas of expertise and for keeping the ExComm and NSC/DC informed of problems and/or significant issues. The ExComm meets frequently during all phases, often once each day or more.<sup>132</sup>

Because it is an Executive Branch committee, the role of the Congress in ExComm activities has been limited, although building Congressional support for operations is usually listed as a crucial preparatory task.

**(4). The Pol-Mil Plan.** The pol-mil plan lays out missions, objectives, responsibilities, and end states. It is designed to improve crisis management techniques by centralizing planning while decentralizing the execution of those plans. Management is to be improved through integration of effort, defining priorities and allocating resources accordingly, and establishing milestones and metrics to chart operational success and make necessary adjustments.

The process of developing the plan involves information exchange—a process in itself—and the development of networks through which participants can take advantage of each others' expertise—not just during plan development, but throughout. In this sense, the pol-mil plan is both product and tool. The *Handbook for Interagency Management of Complex Contingency Operations* describes pol-mil planning as “the centerpiece of the integrated planning process.” The plan consists of 11 subcomponents:<sup>133</sup>

**(a). Situation assessments**—a comprehensive assessment to clarify essential elements of information and provide a multidimensional view of the crisis (including general, political, military, weapons of mass destruction, humanitarian, landmine, public security infrastructure, economic socio-cultural situations; support from host governments, neighboring states, and international organizations; current international presence; whether or not indigenous parties consent to a U.S. presence; and, if one exists, the status of the current peace agreement).

**(b). Identification of U.S. interests**—a statement of U.S. interests and the strategic purpose for securing those interests through intervention.

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<sup>131</sup> “White Paper PDD-56.” The White Paper also points out that if the ExComm contains non-traditional members, the NSC/DC will also be expanded to include them.

<sup>132</sup> Some interlocutors, especially in the Joint Staff, believe these meetings are too frequent and detract from crisis management requirements.

<sup>133</sup> NSC, *PDD-56 Handbook*, and “White Paper PDD-56.”

**(c). Mission statement**—a statement of the strategic purpose and the pol-mil mission, including who is to conduct the mission; the type of operation; the expected duration; and a list of key objectives and specified tasks that the mission will accomplish.

**(d). A statement of the desired end state**—the identification of the realistic and achievable conditions to be created by the operation before it ends or turns over responsibilities to some other entity, including: military, political, economic, and sociocultural end states.

**(e). The concept of the operation**—a conceptual description of how the mission will be accomplished, including: integration of various participants and factors; establishment of priorities, often with a pol-mil synchronization matrix; and delineation of operational phases beginning with initial preparation and ending with end state sustainment.

**(f). Lead agency responsibilities**—the assignment of responsibilities to participating organizations and clarification of tasks and responsibilities that lie outside the interagency.

**(g). Transition and exit strategies**—the multidimensional strategy that integrates efforts for employing diplomacy, military forces, relief organizations, and others to achieve the end state.

**(h). Organizational concepts**—the organizational schematic and descriptions of chains of authorities and relationships for participating organizations, both in and between Washington and the area of operations;

**(i). Preparatory tasks**—tasks to be accomplished before the operation begins, including: diplomatic consultations, coalition consultations, and identification of proper legal authorities, funding requirements, and Congressional consultations, *inter alia*.<sup>134</sup>

**(j). Functional element plans (mission area plans)**—critical operational and support plans prepared by interagency participants, including: political mediation/reconciliation, military support, demobilization, humanitarian assistance, police reform, basic public services, economic restoration, human rights monitoring, social reconciliation, and public information.

**A**lthough one Department or activity may have responsibility for each of these elements, the preparation concept, as explained in a 1997 white paper, calls for comprehensive approaches to each element. In commenting on preparation of the various parts of the pol-mil plan, this document repeatedly refers to the use of interagency working groups to prepare each element, with integration accomplished by the ExComm and, during the rehearsal, by the NSC/DC. It also states that each part of the plan will be “fully coordinated.”<sup>135</sup>

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<sup>134</sup> PDD-56 requires Executive Branch agencies to review funding and legislative authority requirements as part of the process, and where shortfalls exist in either, to propose solutions.

<sup>135</sup> “White Paper PDD-56.”

No time limits for preparation were found in documents available for this assessment. Preparation time is influenced by the complexity of the crisis; the urgency of the requirement for intervention; the resources available to prepare the plan; and the number of organizations involved in the process and their individual requirements for approval.

**(5). The Interagency Rehearsal.** Once the pol-mil plan is complete, PDD-56 mandates that the ExComm present it to the NSC/DC. This series of briefings—known as the Interagency Rehearsal—is designed to comprehensively review the plan and to identify problems and potential gaps between participants.

**(a). Objectives of the Rehearsal.** The essential concept is to identify and resolve differences in understanding or interpretation before the operation begins. There are three metrics for evaluating each aspect of the plan:

**(i).** Whether it is effective in terms of accomplishing missions and objectives in line with milestones and schedules;

**(ii).** Whether it integrates and synchronizes the activities of the participants in accordance with the concept of operations; and,

**(iii).** Whether it is executable in terms of resources, financial requirements, and legal requirements.<sup>136</sup>

Rehearsal instructions in the *Handbook* make two critical points. First, changes in one part of the plan will likely result in changes in others. Second, that the rehearsal is part of the pol-mil plan development and preparation process, not a rollout of a completed plan.

**(b). Procedures for the Rehearsal.** The approach to the rehearsal is fairly detailed. If followed, a typical rehearsal will begin with a situation update by the intelligence community. NSC staff then provides a statement of the approved mission, objectives, end state, and operational concept. Following this, the program managers responsible for the functional/mission area plans provide detailed briefings that:<sup>137</sup>

**(i).** Describe the functional plan's purpose;

**(ii).** Give the current situation in the area of operations as it applies to the functional area;

**(iii).** Outline key entry conditions and assumptions;

**(iv).** List the functional element's purpose, mission, and objectives;

**(v).** Describe how the functional plan contributes to the overall objectives;

**(vi).** Provide the functional element's concept of operations;

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<sup>136</sup> NSC, *PDD-56 Handbook*, Chapter 3. The *Handbook* calls for at least one rehearsal and, if time permits, two.

<sup>137</sup> NSC, *PDD-56 Handbook*, Chapter 3.

- (vii). Identify milestones and timelines;
- (viii). Discuss synchronization considerations;
- (ix). Highlight organizational structure and chain of authority;
- (x). Identify key players and their roles;
- (xi). Describe the mechanisms for civil-military coordination;
- (xii). Identify obstacles and resource shortfalls;
- (xiii). Define on-the-ground success; and,
- (xiv). Identify unresolved issues that require decisions.

Although there is no guarantee that this checklist will be used for future operations, it is comprehensive and on a plane with lists used in military command and staff and war colleges where advanced, proven planning techniques constitute a major part of the curricula.

**(6). Monitoring Ongoing Operations.** Although the ExComm is responsible for monitoring and making adjustments (or recommendations for adjustments) during complex contingency operations, PDD-56 prescribes no specific methods for doing so. A review of lessons learned contained in the *Handbook* notes that reassessments must be continuous. This document states that on-the-ground operations must be transparent; changes must be assessed by the interagency; there must be effective communications in all directions; and issues must be resolved in a timely manner, especially when the safety of U.S. forces is at risk.

**(7). After Action Review (AAR).** At each phase of a complex contingency—from crisis inception to end state—PDD-56 requires participants to collect relevant data about performance, analyze this information and derive key lessons, distribute lessons across the interagency, and incorporate them into policies and procedures for future operations. Upon completion of each operation, the ExComm is tasked with conducting an After Action Review (AAR) to determine “what went well, what did not, and why.”<sup>138</sup> Lessons extracted from this review should relate especially to:

- (a). Decisions to intervene;
- (b). Developing integrated strategies;
- (c). Providing effective integration mechanisms;
- (d). Determining the leads for operations;
- (e). Coalition building;

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<sup>138</sup> NSC, *PDD-56 Handbook*, Chapter 4.

- (f). Gaining political support;
- (g). Continual reassessment; and,
- (h). Transition planning.

**D. Value of the Formal Process.** The process described in PDD-56 is comprehensive and, if used, it is capable of integrating interagency players (traditional and nontraditional) effectively. Although somewhat complex, the process:

- (1). Provides a means to accumulate, integrate, and use information;
- (2). Permits consideration of all player positions and interests;
- (3). Provides decision makers with a range of options;
- (4). Facilitates assessment of options and “best course” recommendations;
- (5). Enables implementation; and
- (6). Permits situational adjustments to original objectives and plans.

PDD-56 provides a mechanism for overseeing ongoing operations and rapidly adjusting approaches and/or objectives in response to changing situations, although the methods for doing this are not delineated in the document. The formal process also outlines a process for capturing and disseminating lessons learned so that the experience of past operations will benefit those of the future.

#### **4. PDD-63.<sup>139</sup>**

**A. General.** PDD-63 was the Clinton Administration’s policy, promulgated in May 1998, for protecting the nation’s critical infrastructure from cyber-based and physical attacks. PDD-63 establishes as a national goal the ability to protect critical infrastructure from any attack designed to disable the federal government, state and local governments, or the private sector. It details specific procedures and timelines to develop this capability. Specifically, it requires achieving “an initial operating capability” by the year 2000 and full capacity to protect the critical infrastructure by the year 2003. The procedures for developing the capability are described below.

**P**DD-63 is based on the notion that an attack on the nation’s critical infrastructure would include private sector facilities and assets as well as the government’s capabilities. Thus a solution must include the private sector as well as state and local governments. Furthermore, any preparation or response to the challenge must not overtax the private sector.

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<sup>139</sup> While the current Bush Administration specifically rescinded PDD-56 in NSPD-1, it is interesting to note that PDD-63 is not specifically addressed in NSPD-1.

Like PDD-56, PDD-63 is a departure from previous national security directives in that it describes not only a policy objective but also detailed procedures, including planning processes, to achieve that objective. Unlike PDD-56, the planning processes in PDD-63 are specific to critical infrastructure protection, although some of the elements of the directive, such as identifying lead agencies within the U.S. government for each sector of the infrastructure, creating a coordination group for the interagency, and establishing public-private partnerships, are applicable to other homeland defense security challenges.

**B. Background.** Since the end of the Cold War, there has been increasing recognition that national security depends in large measure on critical infrastructures. Critical infrastructures are defined in PDD-63 as:

- (1). Telecommunications;
- (2). Energy;
- (3). Banking and Finance;
- (4). Transportation;
- (5). Water Systems; and
- (6). Public and Private Emergency Services.<sup>140</sup>

Many of these are vulnerable to attack or to failure for other reasons, including weather or human error. Additionally, most of these systems are interrelated and a failure in one would likely have impacts on other systems. Finally, many of these systems are owned and managed by the private sector, and thus it is beyond the capacity of the federal government alone to protect them. Should one or more critical infrastructures fail, the effects could impede traditional national security functions as well as economic prosperity, thus affecting both national military and economic power.

Clinton Administration comments on PDD-63 note that U.S. policy is to ensure the continuity and viability of critical infrastructures. They also note that the President “intends that the United States will take all necessary measures to swiftly eliminate vulnerability to both physical and cyber attacks on our critical infrastructures, including especially our cyber systems.”<sup>141</sup> These statements form the basis for PDD-63 process directives.

### **C. Critical Infrastructure Protection Apparatus.**

**(1). General.** PDD-63 postulates that critical infrastructure protection requires actions by both the government and the private sector “in a closely coordinated

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<sup>140</sup> “White Paper: The Clinton Administration’s Policy on Critical Infrastructure Protection: Presidential Decision Directive 63,” May 1998 , p. 1. (Hereafter “White Paper PDD-63”) The exact “categories” of critical infrastructure change depending on the document. Executive Order 13010 listed 8 sectors while the President’s Commission on Critical Infrastructure Protection (PCCIP) had 5 sectors. Annex A to PDD-63 contains a detailed list of 15 sectors (see Table 3 below).

<sup>141</sup> “White Paper PDD-63,” p. 1.

effort.”<sup>142</sup> In fact, PDD-63’s goal is twofold: to protect the nation’s infrastructure, a large part of which is maintained by the private sector; and, to protect the infrastructure assets of the federal government from the threat of cyber and physical attack. PDD-63 envisions achieving the first goal by encouraging cooperation between the private sector and the government. The second objective is the sole responsibility of federal government agencies. Both goals are to be accomplished by creating a framework for decision making and implementation, involving different actors at different levels, as described in paragraph (2) below. Implementation of the policy is to be achieved through the formulation and approval of a National Infrastructure Assurance Plan (NIAP), the elements of which are described in paragraph (3).

**(2). Government Organization for Critical Infrastructure Protection.** To implement provisions for counter-terrorism and critical infrastructure protection PDD-62 establishes a National Coordinator for Security, Infrastructure Protection, and Counter-Terrorism (hereafter abbreviated to “National Coordinator”).<sup>143</sup> PDD-63 goes on to establish four types of formal organizations, and two centers.

**(a). The National Coordinator.** The National Coordinator, who is appointed by the President *without* Senate advice and consent, reports to the President through the APNSA. He/she is not empowered to direct Departments and Agencies, but has the authority to “ensure interagency coordination for policy development and implementation.”<sup>144</sup> The Coordinator has status as a full member of the NSC/PC or the NSC/DC when those bodies meet to consider infrastructure matters, and he/she is empowered to provide advice during preparation of the President’s Budget concerning Department and Agency spending for infrastructure protection. The National Coordinator chairs the Critical Infrastructure Coordination Group (CICG)(see (d) below) and reports on CICG matters to the NSC/DC or, when called upon, to the NSC/PC.

**(b). Lead Agencies for Sector Liaison.** For each part of the nation’s infrastructure maintained by the private sector, PDD-63 requires identifying a lead U.S. government agency to work with the private sector in assuring infrastructure protection. The Lead Agency, in turn, must appoint an Assistant Secretary-level official, known as the Sector Liaison Official, to work with private sector counterparts from the infrastructure sectors they represent (known as Sector Coordinators). The lead agency, in concert with private sector representatives, is to develop protection and education programs for their sector. Sector Lead Agency responsibilities are shown in the following table.

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<sup>142</sup> “White paper PDD-63,” p. 2.

<sup>143</sup> Presidential Decision Directive (PDD) 62: “Protection Against Unconventional Threats to the Homeland and Americans Overseas.” 22 May, 1998.

<sup>144</sup> “White Paper PDD-63,” P. 7.

**Table 3. Lead Agency Infrastructure Responsibilities.**

<b>Department/Agency</b>	<b>Infrastructure</b>
Department of Commerce	Information and Communications
Department of Energy	Electric Power Oil and Gas Production and Storage
Department of Health and Human Services	Public Health Services
Department of Justice/Federal Bureau of Investigation	Emergency Law Enforcement Services
Department of Transportation	Aviation Highways Mass Transit Pipelines Rail Waterborne Commerce
Department of Treasury	Banking and Finance
Environmental Protection Agency	Water Supply
Federal Emergency Management Agency	Emergency Fire Services Continuity of Government Services

**(c). Lead Agencies for Special Functions.** PDD-63 defines special functions as those activities that are inherently governmental (e.g., defense, diplomacy, law enforcement). It mandates that lead agencies for special functions (i.e., the Departments and Agencies that have primary responsibility for them) will appoint Assistant Secretary-level officials to coordinate infrastructure protection within the interagency system. These officials are given the title of Functional Coordinators. Special Function Lead Agency responsibilities are shown in the following table.

**Table 4. Special Function Responsibilities.**

<b>Department/Agency</b>	<b>Infrastructure</b>
Department of Defense	National Defense
Department of Justice/Federal Bureau of Investigation	Law Enforcement and Internal Security
Department of State	Foreign Affairs
Central Intelligence Agency	Foreign Intelligence

**(d). Critical Infrastructure Coordination Group.** Sector Liaison Officials and Functional Coordinators meet with other government representatives to exchange information and coordinate in the CICG. The National Coordinator chairs the CICG. He/she ensures that the appropriate government Departments and Agencies are involved in Critical Infrastructure deliberations and that the CICG exploits existing security structures and organizations (e.g., the Security Policy Board and Forum). PDD-63 requires Departments and Agencies to appoint a senior official (Assistant Secretary or equivalent rank) to the CICG. The

APNSA appoints a Senior Director for Infrastructure Protection from the NSC staff to serve on the CICG.<sup>145</sup>

**(e). National Infrastructure Assurance Council (NIAC).** The

NIAC serves as a forum to bring together public and private sector officials. Members are appointed by the President and include state and local officials as well as federal and private sector officials. The National Coordinator acts as the Council's executive director, and the Council is supposed to meet "periodically" but its first meeting did not occur until 18 January 2001.

**(f). National Infrastructure Protection Center (NIPC).** The

NIPC represents an upgrade of a previously existing FBI organization. The NIPC serves as the "national focal point for gathering information on threats to the infrastructures," assessing those threats, and disseminating information as appropriate to federal, state, and local governments and the private sector.<sup>146</sup> In addition to the FBI, Center membership includes the Secret Service (and other investigators with experience in computer crimes and infrastructure protection), DoD, the Intelligence Communities, and the Lead Agencies. The Center is electronically linked to nodes throughout the remainder of the government and with private sector centers. The NIPC's mission "will include providing timely warning of intentional threats, comprehensive analyses, and law enforcement investigation and response."<sup>147</sup> Departments and Agencies are instructed by PDD-63 to share information concerning warnings and threats with the NIPC, and the Center is enjoined to establish other links to private sector sources as appropriate.

**(g). Information Sharing and Analysis Centers (ISACs).** ISACs

represent private sector versions of the NIPC, established for each infrastructure sector with the assistance of the National Coordinator, Sector and Special Function Coordinators and Sector and Special Function liaison officials. However, PDD-63 envisions the ISACs as Centers designed and run by the private sector. The concept is for ISACs to acquire, assess, and pass on information about threats to the NIPC and to the private sector.

**(h). Supporting NSC Structures.** In addition to the structures

noted above, PDD-63 calls for the NSC/PC to develop a schedule for completing the National Infrastructure Assurance Plan within 180 days of PDD-63 approval. The CICG will review this plan and schedule completion of the taskings required to develop the plan.

**D. Functions and Purposes.** The organization described above is designed to reduce infrastructure vulnerability by:

**(1).** Conducting assessments of sector and functional infrastructures to attack;

**(2).** Developing and recommending plans to reduce or eliminate key vulnerabilities;

**(3).** Developing and implementing a system to identify threats and prevent major attacks on critical infrastructure assets; and,

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<sup>145</sup> "White Paper PDD-63," p. 7.

<sup>146</sup> "White Paper PDD-63," p. 8.

<sup>147</sup> "White Paper PDD-63," p. 8.

**(4).** Developing plans to contain and repel attacks on critical infrastructure assets and to reconstitute capabilities following an attack.

Conceptually, these individuals and organizations are responsible for ensuring that their own organizations take the necessary steps to protect critical infrastructure,<sup>148</sup> develop appropriate inputs for the National Infrastructure Assurance Plan, and coordinate those inputs in the interagency.

## **E. Preparation of the National Infrastructure Assurance Plan (NIAP).**

**(1). PDD-63 Requirements.** PDD-63 calls for a NIAP that defines actions to manage or mitigate risk by identifying and correcting vulnerabilities and establishes warning, response, and recovery mechanisms. Developing a viable strategy and plan requires “buy-in” from both government and private sector organizations on the need for a plan; arriving at consensus on the level of security required for commercial infrastructures; creating an environment conducive to information sharing and remedial action; and developing new paradigms for the allocation of responsibilities in an era where boundaries between security, economic, and social interests are blurred.

**(2). NIAP Design.** Crafting the NIAP was guided by two principles:

**(a).** Delegation of lead agency responsibilities for development of portions of the plan away from the Executive Office of the President and to those organizations most capable of preparing them; and

**(b).** Creation of functional planning entities as opposed to organizational-based planning to foster interagency cooperation.

The need to share information among diverse government and private sector actors was a key guiding principle in plan preparation. Unless mechanisms exist that facilitate information sharing, it is difficult to construct a viable NIAP.

## **F. PDD-63 Implementation to Date.**

The implementation of PDD-63 is underway, although progress is uneven. The policy is currently being coordinated by the National Coordinator (mentioned earlier), who is a member of the National Security Council Staff. The National Infrastructure Assurance Plan is being developed by the Critical Infrastructure Assurance Office (CIAO), housed at and funded through the Department of Commerce. The CIAO was to complete the National Infrastructure Assurance Plan by January 2001, and has a “sunset clause” to cease existing as an organization in September 2001.

To date, the CIAO refined the requirements for the second goal of the infrastructure protection policy—to ensure that the infrastructure of the federal government is adequately protected—by identifying those agencies to which the requirement applies and developing a

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<sup>148</sup> “White Paper PDD-63,” p. 4. requires each Department and Agency to appoint a Chief Infrastructure Assurance Officer and to designate the organization’s Chief Information Officer as responsible for information assurance.

timeline by which they are to submit plans for the protection of their infrastructure. The CIAO reviewed several of the submitted plans, which are now being implemented.

The first goal of the policy—to ensure the protection of the nation's infrastructure—is proving more difficult to implement. According to knowledgeable observers, the Department of the Treasury has become the Lead Agency for the financial and banking sector, and has appointed a Sector Liaison Official. Treasury is currently working with representatives of the financial and banking sector in a working group format to identify the sector's vulnerabilities. Progress was finally made in the area of telecommunications, where the Department of Commerce appointed a Sector Liaison Official, and the private sector coordinator is the Information Technology Association of America.

According to experts, the EPA has been established as the Lead Agency for assessing the vulnerability of the water supply infrastructure. It has not yet begun its work.

## **5. The Informal Crisis Management/Policy Coordination Processes.**

**A**s in policy development, several informal processes supplement the processes described in PDD-2 and PDD-56 for implementing policy. In fact, informal processes may play a particularly important part in coordinating agencies' positions during the implementation of a policy, especially during the management of a crisis or a contingency operation. Such informal processes include:

**A. The Breakfast/Lunch Meeting.** Weekly lunches involving the Secretary of State, the President's National Security Advisor, and the Secretary of Defense (dubbed the ABC [Albright-Berger-Cohen] lunches) were used to surface and resolve some issues associated with crisis management. The discussion agenda was prepared by the NSC staff (in coordination with the staffs of the other participants) and distributed ahead of time. Staffs prepared briefing papers and talking points on those matters for which they have expertise. However, no staff attended the meetings. This guaranteed confidentiality and perhaps a more open exchange as participants ceased to represent their bureaucracies and were free to advocate what they deemed were the best options. The staff was dependent on feedback from the principals. Officials we interviewed believed these events served an important function for surfacing and resolving issues quickly, although some acknowledged that feedback was not always timely.<sup>149</sup>

**B. Weekly Foreign Policy Breakfast.** This informal event involved the ABC participants, plus the U.N. Representative, the DCI, and the CJCS, all of whom were involved in the National Security Council. No staff attended, the gathering had no prepared agenda, and discussions were reportedly far ranging. Occasionally, taskings for staff resulted from these meetings.

**C. Weekly Deputies Lunches:** These were similar to the Foreign Policy Breakfasts except participants were members of the NSC/DC. (In DoD's case, the Deputy Secretary of Defense often attends instead of the USD(P), even though the Deputy Secretary is not formally part of the NSC/DC.<sup>150</sup>) A former senior official with firsthand knowledge indicated that major

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<sup>149</sup> The ABC meetings of the Clinton Administration are an evolution of the Cheney-Baker-Scowcroft (CBS) meetings held regularly during the previous Bush Administration. The rules and approaches are very similar.

<sup>150</sup> PDD-2 includes the Under Secretary of Defense for Policy on the NSC/DC, but not the Deputy Secretary of Defense.

NSC/DC issues were often resolved at these lunches, and then formally announced at the next NSC/DC meeting.

**D. The President-National Security Advisor Relationship.** The National Security Adviser, by virtue of his or her physical proximity to the President, can be a particularly influential voice in national security policy both in the formal and informal policy making processes. The role of the National Security Advisor historically has reflected the President's own preferences regarding the management of the information flow. President Eisenhower reportedly eschewed bureaucratic politics and set up a national security policy making apparatus designed to isolate him from it. According to scholars of the policy process, national security decisions in President Eisenhower's Administration were taken after lower levels of the interagency had vetted ideas and reached compromise on a number of set options, which were presented to Eisenhower for decision through his Chief of Staff.<sup>151</sup> President Kennedy, on the other hand, sought greater personal involvement with a number of different advisors, and established a system of decision making that allowed him to participate in the shaping of the options for decision.<sup>152</sup>

The personality of the President and his National Security Advisor and the interest of the former in national security issues also affect the role of the National Security Advisor in any Administration. A number of observers commented that President Clinton had less familiarity with national security issues than he did with domestic and economic subjects, and thus sought information and advice to a greater extent than on other topics.

In any Administration, the role of the National Security Advisor is also likely to be shaped by the personality of the holder of the position, his or her skills, and whether he or she sees the role as one of coordination or problem resolution. According to one observer, during the previous Bush Administration, for example, the National Security Advisor saw his role, and that of the NSC staff, as honest brokers of the different views held in the bureaucracy, rather than as policy makers. Interviews revealed that in the Clinton Administration, the National Security Advisor and the NSC staff have played less of a role of honest broker and more of adjudicators in policy disputes. To a certain extent the latter is an inevitable outcome of circumstances: the personalities of the key national security players or the type of national security issues addressed by the Administration. Also, if the National Security Advisor and NSC staff enjoy access and considerable influence with the President, they will tend to be more influential in the crisis management process.

When the NSC staff takes on the role of policy maker or adjudicator, however, a number of problems can ensue, according to observers. At the least, the NSC staff may introduce a certain amount of friction to the process as they maneuver for position, or they may antagonize interagency interlocutors if they insist that only they know the mind of the President.<sup>153</sup> They also may take on more work than can be effectively handled, given the relatively small size of the NSC staff. That could mean a constant juggling act and little time for planning or coordination. It can also result in decision packages that do not take advantage of the full range

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<sup>151</sup> Alexander, L. George, *Presidential Decisionmaking in Foreign Policy: The Effective Use of Information and Advice*. (Boulder, CO: Westview Press, 1980), pp. 152-154. (Hereafter, George)

<sup>152</sup> George, p 157.

<sup>153</sup> Several of those interviewed indicated that they saw this as a problem with the Clinton NSC staff. Demonstrating that conclusively would require a more complete analysis.

of expertise available in the interagency. Finally, having the National Security Advisor and NSC staff in too prominent a policy making role may raise oversight and accountability issues. National Security Advisors, unlike the majority of NSC members, are neither elected officials nor are they appointed with the advice and consent of the Senate. They are accountable to the President of course, but not to the American people, either directly or indirectly, although they can and have substantially influenced decisions that affect the nation as a whole.

In the final analysis, each National Security Advisor has great influence in setting the tone for the management of national security issues in the interagency process, and can choose whether to use the NSC organization as an honest broker and coordinator of the different interagency views or as a shaper of policy. Many experts interviewed cited the honest broker model as preferable. It is likely to surface all the options on a particular policy issue to the decision makers—the NSC Deputies, Principals, or the President. However, to work, this model requires strong NSC staff coordination at the Deputies Committee and IWG level, and participation by the Executive Branch Agencies in the NSC Committees and IWGs with representatives who can be held accountable.

**E. Other Personal Contacts.** Action officers from different divisions and departments frequently hold informal discussions in a number of different venues to discuss substantive issues. Sometimes these discussions occur as staff members prepare issue papers for their principals in support of the formal process. Sometimes they occur as staffers try to build consensus for proposals or recommendations. Sometimes they occur as “sidebars” at conferences, meetings, or seminars. Often, the results and agreements are not formally reported, but this sort of networking is an important lubricant for the national security process at large. Participants in seminars and workshops have reported that the experience enabled them to develop contacts that facilitated national security problem solving beyond the immediate meeting.

## **6. The Role of Congress in Policy Implementation.**

**A. Background.** The Constitution sets up a system by which the President and the Congress share powers in the implementation of national security policy. Congress has the power to declare war; “to raise and maintain Armies” and “to provide and maintain a Navy;” and to make rules concerning how the armed forces are to be maintained. Additionally, the Constitution establishes that the Senate will ratify treaties negotiated by the Administration and confirm ambassadors and other key federal government officials appointed by the President. Under the Constitution, however, the President has the role of Commander-in-Chief of the armed forces and is responsible for the conduct of foreign relations. This system was designed, in the words of one scholar, as “an invitation to struggle,” because the respective Constitutional responsibilities of the Legislative and Executive Branches allow each Branch to contest the other’s intentions or actions in the national security realm.

**D**espite this adversarial arrangement, the two Branches have not always taken up that invitation to struggle. Until the middle of the 20<sup>th</sup> century, Congressional interest in national security matters was largely muted. Congress deferred to the Executive Branch on military policy and strategy questions, focusing primarily on influencing the location of military

bases and other questions with impact on Congressional constituencies.<sup>154</sup> The onset of the Cold War raised the profile of national security and military matters, and increased Congressional interest and activism in national security policy formulation and implementation. Congress passed the National Security Act of 1947, which reorganized the national security structure of the Executive Branch. It also began to use the annual defense authorization and appropriations processes to comment on major national security policy issues.<sup>155</sup>

The Cold War fostered a certain degree of consensus between the Executive and Legislative branches of government on U.S. national security interests and a national security strategy, but it also increased the voice of Congress on national security questions. Eventually, Congress began to assert its prerogative for national security policy making and implementation on issues where consensus was lacking, culminating in the passage of the War Powers Act, in 1973.

**B. The War Powers Act.** The War Powers Act is perhaps the best example of the delicate separation of powers between the Executive and Legislative Branches of government in national security matters—and particularly in the implementation of national security policy. The Act was designed to assert the power of Congress alone to declare war and prevent the President from circumventing those powers by initiating a limited military operation that later might be escalated. The Act requires the President to notify Congress within 48 hours of deploying U.S. forces abroad for combat purposes, giving Congress the opportunity to deny further deployments.

Since its passage, the War Powers Act has remained controversial. Congress passed it over President Nixon's veto, and it has been considered unconstitutional by every President since. Congress itself has been reluctant to invoke the powers it granted itself. Although several U.S. military engagements, including the recent action in Kosovo, brought about resolutions by Members of Congress designed to invoke the Act, Congress has never successfully used it to limit the President's ability to deploy troops in a crisis.

**C. Legislative, Oversight, and Ratification Powers.** Congress may affect the implementation of national security policy by passing legislation, short of the War Powers Act, and impose specific requirements on the Executive Branch. As in the case of the War Powers Act, however, the Executive Branch tends to view such legislative action as interference in its prerogative to conduct foreign relations. It usually fights off such attempts and Congress itself is divided when it comes to voting for such legislation. One powerful brake on Congress is the political consideration that voting against the Administration, when it has become involved in operations abroad, might be perceived as a vote against deployed military men and women. Many Members consider such a vote a no-win situation and, unless carefully constructed, this type of legislation rarely reaches the floor of either chamber.

A safer and more effective way for Members of Congress to express their opinions on national security matters and influence the implementation of a policy is by holding hearings. Hearings afford the Congress an opportunity to foster public debate on a particular security issue by airing views supportive of or contrary to those of the Administration. They also provide a

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<sup>154</sup> Samuel P. Huntington . *The Soldier and the State: The Theory and Politics of Civil-Military Relations*. (Cambridge, MA: The Belknap Press of Harvard University Press, 1957), pp. 400-401. (Hereafter, Huntington, *Soldier and State*)

<sup>155</sup> Huntington, *Soldier and State*, pg. 401.

forum to call the Administration to task for a failing policy. Finally, they force a dialogue between the Executive and Legislative Branches, possibly leading to a realignment or adjustment in policy. Hearings, however, can also provide the Administration with an opportunity to explain its policy and win Congressional support. The Clinton Administration, for example, successfully employed this tactic in securing Senate support for NATO enlargement.

The Congress is perhaps most influential over the implementation of national security policy associated with international treaties, because of the constitutional requirement for Senate ratification. The Senate has not always ratified treaties negotiated by an Administration, most recently rejecting the Comprehensive Test Ban Treaty. Although an Administration has the prerogative to abide by a treaty even without Senate ratification, Senate rejection of a treaty backed by an Administration reduces the credibility of the Administration with its negotiating partners and limits its effectiveness on that particular policy issue.

**D. The Power of the Purse.** Congressional power of the purse is the most effective way by which the Congress can influence the implementation of national security policy. Every year, the Congress passes appropriations bills that fund Executive Branch agencies and programs and U.S. operations abroad. Occasionally, the Congress must also vote on supplemental appropriations bills when an operation abroad requires additional funding. The Congress may influence the way in which the Executive Branch implements a particular policy by denying funds to implement that policy or imposing certain conditions or restrictions on expenditures. For example, the Congress may require that the Administration report on the expenditure of certain funds before more can be made available, or specify a date beyond which no funds will be made available for a particular operation. The latter restriction, for example, was imposed on the funding for U.S. participation in the multinational coalition in Bosnia-Herzegovina.

Political considerations play a powerful role in exercising the power of the purse as well. Regardless of whether an operation is popular with the American public at its onset, the Congress is generally reluctant to appear unsupportive of the military when it is deployed.

**E. Conclusions.** Although the balance of power between the Congress and the Executive Branch has tilted toward the Congress on occasion, the Executive Branch currently holds greater sway over the implementation of national security policy and strategy than Congress. Several Presidents since the passage of the War Powers Act have engaged U.S. troops abroad without the prior approval of the Congress. Although Congress has influenced the implementation of policy, most notably by controlling funding streams for operations abroad, and rejecting or supporting Administration-backed treaties, its role has been secondary to that of the Executive Branch.

A number of factors account for this situation. First, the Congress, much more than the Executive Branch, is subject to political considerations in its evaluation of national security policy issues. With the majority of Members facing elections every two years, the Congress must pay greater attention to public opinion, imposing a short-term outlook on national security issues. Frequent election cycles also give interest groups and ethnic constituencies the opportunity to influence the Congress in the implementation of national security policy, as they do in the formulation of policy. As a result, some Members of Congress may develop more narrowly focused perspectives on national security issues than the Executive Branch.

Finally, Congress' own structure may reduce its ability to compete with the Executive Branch in the formulation of national security policy and oversight of its implementation. The power to formulate legislation that influences the implementation of policy is distributed among a vast numbers of Committees in the House and Senate. The traditional Committees of jurisdiction—the House and Senate Armed Services Committees, the House International Relations and the Senate Foreign Affairs Committees, the Intelligence Committees, and the Appropriations Committees—now share the power to influence national security policy with the Commerce Committees, the Judiciary Committees, the House Rules Committee, the Senate Governmental Affairs Committee, and many more.

The distribution of authority among many Committees means many opinions and perspectives now influence legislation, sometimes resulting in compromise measures rather than a sharply targeted policy. The Committee referral system is also not conducive to quick action. Having to wait to vote until each Committee of jurisdiction has acted on a bill reduces the effectiveness of the Congress to act on sometimes fast-developing national security issues. The result is that the Executive Branch possesses the prerogative in national security policy making and implementation.

## 7. Observations.

Monitoring the implementation of a national security policy was an overarching process within the Clinton Administration, as it has been in previous administrations. PDD-2 assigns different levels of responsibility to the NSC committee structure—the IWGs, NSC/DC, and NSC/PC—to ensure that the President's decisions on national security have been implemented by the interagency as appropriate. In addition, during the Clinton Administration there has been an attempt to formalize processes to guide crisis management in the form of PDD-56 and PDD-63. Although they are not always followed to the letter, these directives provide guidelines for the interagency to organize itself and prepare plans for interventions in humanitarian crises abroad and in the area of infrastructure protection. A number of preliminary observations can be derived from the way policy was implemented at the interagency level in the Clinton Administration.

**A. Interagency Monitoring of Policy Implementation is Sporadic.** Despite the guidelines provided by PDD-2 and PDD-56 to coordinate policy implementation at the interagency level, these formal processes are not observed in their entirety. Observers in the process noted, for example, that much coordination of policy at the interagency level was conducted by the NSC/DC, especially in crisis management, often bypassing the preparatory meetings of the IWGs. The reasons for this are not well understood. It is possible the NSC/DC's involvement in the formulation of policy leaves little time to devote to monitoring the implementation of previous decisions.

A number of participants in the interagency process also observed that decision memoranda from NSC/DC or NSC/PC meetings were often released late or not released at all, leaving it up to the principal who attended the meeting to communicate any action needed to his or her agency through their personal staff. While this approach may work, it also permits members to carry a unique interpretation of the decision back to their organization. This, in turn, can lead to implementation differences, delays, and problems.

One reason for the lack of systematic coordination of policy implementation may be the workload of the NSC staff, which supports the NSC/DC and NSC/PC and which usually has a more-than-full workload. As the definition of national security broadens to include less traditional areas of concern, more players and more information enter the national security structure. Accordingly, the burden on the NSC staff to coordinate the input of various interagency players grows, risking further limitation of its ability to follow up on the implementation of policy decisions.

**B. PDD-56 Not Used Extensively.** It is not clear that the entire PDD-56 process is extensively used. Discussions with DoD and other officials indicate that it was not used in its entirety for recent operations in Kosovo, but one can argue that this operation fell outside the definition of complex emergencies upon which PDD-56 rests. Additionally, PDD-56, as written, appears to have no domestic application. Yet the formal process possesses many of the characteristics and systems that would be beneficial in response to acts of terrorism or other domestic disasters. The players would be different, but the PDD-56 system for exchanging information, developing plans, and monitoring their implementation would be as valuable as for domestic as well as foreign crises.

Although difficult to demonstrate conclusively in this study, there may be cultural resistance to PDD-56 processes—especially pol-mil plan development—on the part of some Departments and Agencies. This may account for a reluctance to use the process. Planning is a DoD core competency, but it is not a core competency for other Departments who are not resourced or trained for in-depth operational planning. Nonetheless, the argument must be made that the planning process (i.e., the exchange of information and the fixing of responsibilities) is often of equal or greater importance than the plan itself.

Another reason for less-than-comprehensive acceptance of the plan may be that some are uncomfortable with a process based on methods not employed in their organizations. Although the PDD-56 *Handbook* calls for annual Deputy Assistant Secretary-level training programs at the National Foreign Affairs Training Center, the National Defense University, and the Army War College, widespread acceptance of the formal process is likely to require considerable time. This is especially the case where the process is viewed as incompatible with organizational values.

A number of observers from various Executive Branch departments pointed to the value of a strong coordinator for integrated contingency planning. When the procedures that make up the PDD-56 process were observed, it was due to the efforts of a strong coordinator at the NSC staff level who was able to generate participation at an appropriate level of participation from the Executive Departments.

**C. Growing Role of NSC Staff in Policy Implementation.** The formal role of the NSC staff is as coordinator of the interagency process rather than as a formulator or implementer of policy. A number of observers, however, noted that in the Clinton Administration the NSC staff has been more active not only in formulating policy, but also in implementing it. Officials interviewed pointed to cases in which the NSC staff participated in diplomatic missions, briefed Members of Congress, or drafted issue papers for NSC/DC meetings as examples of a more activist role by the NSC staff. Many viewed this development with concern, arguing that a relatively small staff lacks the resources and depth of understanding to address complex policy issues adequately. In the view of these observers, the role of the NSC staff should be kept to policy coordination.

**D. Informal Process Value.** As identified in the section on PDD-2, informal processes often run parallel to formal ones. This is the case with PDD-56, with formal processes that are complemented by informal arrangements to include senior-level meetings over meals and casual action officer conversations. It is difficult to precisely assess the true value of these contacts because it is impossible to know how decisions and information exchanges would have differed if they had occurred in the formal process. However, informal processes clearly exist and have apparent value in that they are repeatedly used at all levels. Rather than attempting to formalize such processes, it seems more appropriate to facilitate them. This can be done in part by ensuring that any changes to the formal system consider the impact on established informal processes.

## SECTION IV. NATIONAL SECURITY RESOURCE ALLOCATION

### 1. General.

The success of all national security processes and concepts ultimately depends on access to resources. Unless sufficient resources are available, development and implementation of policy and strategy are academic drills. All Executive Branch Departments and a number of Agencies participate in preparing the President's Budget, which is then deliberated and approved by Congress, prior to being signed into law by the President.<sup>156</sup> The process by which the budget is conceptualized and prepared by the Executive Branch and deliberated and approved by Congress is interbranch.

### 2. Overview of the Nature of the Process.

Because resources are finite and offsets (rather than plus-ups) are becoming more common, the preparation and deliberation process is often adversarial.

**A. Intra-Department.** Precise processes used to link requirements to resources vary from Department to Department and they usually include a certain amount of tension. Within organizations, debates routinely occur over the shares each sub-element will receive and whether a proponent's program is superior to an alternative proposed by someone else. (An example is the process by which the Programs Analysis and Evaluation (PA&E) Directorate in the Department of Defense (DoD) presents alternatives to Military Service programs.<sup>157</sup> In these cases, the Services usually view PA&E as meddlesome or uninformed. See Chapter 4 entitled "Program Analysis and Evaluation Directorate" in Volume IV entitled *Department of Defense*.)

**B. Intra Executive Branch.** Tensions can exist, too, when Departments and Agencies submit their budget requests to the Office of Management and Budget (OMB) for review. The Director of OMB reviews Department and Agency budgets, listens to OMB staff recommendations, and then makes decisions that are often contrary to Department and Agency preferences, but are based on the Director's understanding of the President's policies and priorities. When that occurs, it is sometimes necessary for the President to resolve disputes between his lieutenants. Because OMB is organized along *Departmental* lines, it is difficult to examine and debate along *functional* lines (e.g., counter-terrorism, first response to weapons of mass destruction).

**C. Inter Branch.** Once the President's Budget is submitted to the Congress, spirited debates often occur between Members of Congress and Administration officials testifying on behalf of the budget—and between Members with different ideas of what is best for national security. An example of the latter is the deliberations and arm twisting concerning the purchase of additional B-2 bombers that occurred in the summer of 1997. Members often debate, too, whether funds marked for national security might be better spent for other needs. A case in point is the defeat of a June 1997 proposal to shift billions from the Defense Department to fund

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<sup>156</sup> Under present law, the President's annual budget includes the next fiscal year's budget request and a projection for four years beyond that.

<sup>157</sup> Although arguments within DoD occur over programs and alternatives, the amount of the Defense Budget that is allocated to each Service has remained relatively stable over time. Critics point to more-or-less equal shares and observe that the arrangement precludes innovative approaches to national security.

highway infrastructure bills—a measure that was ultimately defeated in an early morning vote by the narrowest of margins. At the extremes, the Congress can hold up appropriations if it seeks to force the Executive Branch to handle matters differently.

Once Congress approves the budget and sends it to the White House, the President may veto it. If he does, the stage is set for what may become heated negotiations in an effort to reach a compromise.

**D. Tension as a Creative Force.** Although competitions between participants occasionally get out of hand, more often these tensions are a positive, even creative force for finding the best alternatives. The fact that budget share is often a zero sum game ensures that participants will present alternatives, and that both original proposals and alternatives will be subjected to rigorous scrutiny. Consequently, decision makers in both the Executive and Legislative Branches are presented with a range of options and supporting analysis, which should result in better decisions over the long term. Still, there is no shortage of parochialism in budget proceedings.

### **3. The Executive Branch—Budget Preparation Process.** (See Appendix 5 of this chapter for process map)

**A. Preparation Overview.** Although particulars differ somewhat depending on the Department, the overall preparation process is essentially the same. It may be summarized in terms of months:<sup>158</sup>

- January to March. . . . . President established general guidance.
- March to May. . . . . OMB develops significant issues.
- June. . . . . OMB provides budget preparation guidance.<sup>159</sup>
- June to September. . . . . Departments and Agencies prepare budget requests.
- September. . . . . Departments and Agencies submit budget requests.
- September-October. . . . OMB reviews budget submissions; prepares issues.
- October-November. . . . OMB Director's review and "passbacks."
- November-December. . . Appeals and Presidential Decisions.
- December-January. . . . President's Budget prepared and approved.
- January-February. . . . President's Budget submitted to Congress.

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<sup>158</sup> Shelley Lynne Tomkin. *Inside OMB: Politics and Process in the President's Budget Office*. (Armonk, New York: M.E. Sharpe, 1998), (Hereafter Tomkin, *Inside OMB*) and interviews with OMB and DoD officials. DoD operates on a year-to-year cycle despite past attempts to move it to a two-year cycle. Reasons for retaining the annual system include Congressional resistance to the two-year version.

<sup>159</sup> In the case of DoD and some other Departments, preparation guidance does not arrive until after budget preparation is under way.

**I**t is important to note at the outset that these timeframes often change. For example, although the President's budget is supposed to be submitted to Congress not later than the first Monday in February, it sometimes arrives later. When Administrations change, for instance, the new Administration usually does not submit its budget until later in the spring, and the Congress does not object. Also, although OMB should provide budget preparation guidance by June for the budget to be submitted the following February, the formal guidance often is not provided until much later. According to DoD officials, sometimes it does not arrive until November. When this occurs, Departments usually use informal channels to determine a funding range for use in budget preparation. Despite deviations, the schedule provides a useful reference for discussion.

Although described here in dispassionate terms, contention (and often acrimony) mark the resource allocation process at almost every step—between the Executive Branch and the Congress; between Members of Congress and among their staffs; between Departments and Agencies and OMB; and between OMB and NSC staff members. The fact that most decisions are made at levels below the President should not be interpreted to mean that heated debates do not occur at those levels. Similarly, differences between Members of the House and Senate and their staff over what share of the budget should go to national security and how much should be devoted to specific programs are often pronounced.

**(1). March to May.** During this period, OMB analyzes the Administration's goals and policies in light of changes in the strategic and political environments, and its success in obtaining funds for critical programs in the budget currently being executed (i.e., the budget that went into effect on 1 October of the previous calendar year).<sup>160</sup> The review includes programmatic initiatives, as well as Government Performance Reform Act initiatives and guidance from the President. As part of the review, OMB identifies issues requiring further investigation.

While OMB is conducting its review, Departments and Agencies usually begin to prepare initial budget request drafts. These are based on internal Department guidance. For example, DoD may publish the Defense Planning Guidance (DPG)<sup>161</sup> and Defense Fiscal Guidance (FG) during this period, and the Military Services will have already begun to craft their proposed budgets, known as a Program Objective Memorandum (POM).<sup>162</sup> Start points vary depending on Department and Agency tradition and culture, the size of the budget, and internal approval processes. According to OMB officials, for example, despite the size of its budget, DoD is among the most proficient in preparing budget requests because it has a long-range planning culture and a budget request approval system that is widely understood. Thus by June, DoD has its own list of issues, and Service POMs are close to completion. (Other Departments and Agencies have their own systems for preparing budget requests. These systems are no less effective than that used by DoD and are tailored to the culture and needs of the organization.)

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<sup>160</sup> When viewing the preparation cycle, it is important to keep in mind that it begins almost 18 months prior to the fiscal year for which the budget will be executed. For example, issues developed during the March-May timeframe in 2000 are for the budget that will be executed beginning on 1 October 2001 (Fiscal Year 2002). Reform proposals that will require resources may be without them for as much as two years before the applicable budget is executed.

<sup>161</sup> The DPG attempts to link planning and strategy to programming.

<sup>162</sup> See Chapter 3 entitled “Under Secretary of Defense (Policy)” and Chapter 4 entitled “Programs Analysis and Evaluation Directorate” in Volume IV entitled *Department of Defense* for a more robust discussion of DoD resourcing.

**(2). June.** Based on OMB’s initial review (which is sometimes called the Spring Issue Review), OMB develops a list of top-down issues that will be analyzed and reviewed during later stages of budget preparation. The OMB staff also provides guidance for budget preparation to Executive Branch organizations. This marks the formal beginning of budget request preparation.

**(3). June-September.** During the summer, Executive Branch activities prepare their budget requests using OMB and Department and Agency guidance. Often, there are mid-session reviews with OMB in which top lines, economic assumptions, and guidance may be changed. In most cases, formal OMB involvement with the Departments is not great during this period, although there are informal conversations between OMB budget analysts and Department personnel. However, because of the size and complexity of the DoD budget, OMB staff members are involved throughout the summer in the Programming phase of DoD’s Planning, Programming, and Budgeting System (PPBS). In fact, OMB staff participates in internal DoD issue reviews.<sup>163</sup> Thus, although information is continually exchanged between OMB and other Departments, OMB’s involvement in the DoD process is more extensive.

**(4). September.** In September, Departments and Agencies submit their budget requests to OMB for review. The requests are bounded by OMB budget preparation instructions and top lines. Usually, OMB will use the month of September to review and analyze Department budget requests prior to beginning “hearings” (see below). This review includes verification of figures, examination of supporting studies used by Departments to justify some items, comparisons to the previous budget, extent of compliance with preparation guidance, and identification and analysis of a small number of additional issues. For example, in the case of DoD the OMB staff reviews the Department’s budget to ensure that the figures are correct and that it is consistent with the President’s defense and national security policies.<sup>164</sup> This is the norm for other Departments and Agencies as well.

Concurrently, as the review takes place, OMB staff members enter budget estimates into the Budget Preparation System (BSP), a computer program that tracks the overall budget preparation in near real time. This process is known as “scorekeeping.” Inputs may change as a result of hearings, the Director’s Review, or appeals. However, the initial inputs are the beginning of budget building at the top level.

**(5). September-October.** Following budget request reviews, OMB conducts a series of hearings at which Departments defend their requests. The hearing process begins with fact-finding analysis by OMB staffs, who develop questions for Departments to address during the hearings. The term “hearings” is somewhat misleading. Hearings may take the form of one-on-one meetings at staff level, telephonic and/or written inquiries, or they may involve relatively senior panels of OMB officials, including political appointees. The latter usually is the case if senior Department officials are expected to be present.

Participants have described the hearings as animated. They allow Departments to present and justify their budget requests and to present their side of the case with respect to

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<sup>163</sup> DoD officials view OMB participation as a generally positive event because it helps them explain their positions on programs and to gain OMB support. In the words of one senior, experienced DoD participant, having OMB sit in ensures that OMB knows exactly what it gets for its money, and exactly what capabilities it will lose when it cuts funding.

<sup>164</sup> Interviews with OMB staff.

OMB issues. Hearings are the best opportunity for Departments to shape the President’s Budget, short of direct intervention by cabinet officers with the President. One observer notes that they provide an “opportunity for . . . agency representatives to make a dent in OMB decision-making.”<sup>165</sup> Hearings also allow OMB to explain the President’s policy in cases where such explanations are necessary. (A more detailed discussion of OMB hearings is contained in Chapter 3 entitled “Office of Management and Budget” in Volume II entitled *Executive Office of the President*.)

If hearings involve formal meetings, they are usually held at OMB, except for DoD. The procedure for Defense Department hearings centers on the Department’s internal issue review procedures. Beginning in the summer months and continuing into the fall, DoD and OMB staffs review the Defense budget jointly. For other Departments, the hearing process is usually shorter and may last hours or days. As a rule, both sides know the other’s position prior to the hearings, and Departments usually have the opportunity to review OMB issue papers in advance. At the conclusion of the hearings, unresolved issues are carried forward for the OMB Director’s review.

**(6). October-November.** The OMB Director’s reviews for a particular Department often begin while hearings are still ongoing for other Departments. The entire review period can last three or four weeks. In preparation for the review, the OMB staff develops issue papers and briefings with budget recommendations. Issue papers include an executive summary; several alternatives, funding levels for each alternative, and the potential outcomes; legislation required for alternatives to be adopted; and stakeholder positions, including Congress, interest groups, other government organizations, and the general public. Issue papers end with recommendations.

Past Director reviews have been conducted in hearing format (in which staff present their case before the Director and a panel of other senior OMB officials) and/or through issue books. When hearings are conducted for the Director, the Director and senior OMB staff members receive issue books prior to each session to acquaint them with substantive matters. During review sessions, the usual format is to begin with a budget overview, followed by a presentation of issue papers.<sup>166</sup> The Director’s review is closed except for OMB staff. The minutes of each session are closely held by OMB and not usually released beyond the OMB staff. Departments do not attend Director review sessions, and Department views are presented to the Director by the OMB staff. Because it is impossible to review the entire budget, Director-level hearings focus on what have been described as “politically visible” issues—those items that have potentially significant policy impacts.<sup>167</sup>

As each review is completed, OMB decisions are forwarded to Departments for incorporation into their final budget proposals. Decisions are known as “passbacks,” which include the Director’s decisions as well as additional guidance and instructions as necessary. Once received by the Department, passbacks are either accepted and included in the revised budget, or designated for appeal.

**(7). November-December.** If a Department elects to appeal the OMB Director’s decision(s), it prepares and presents its case during November and December. Technically,

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<sup>165</sup> Tomkin. *Inside OMB*, p. 122.

<sup>166</sup> Interviews with OMB staff.

<sup>167</sup> Tomkin. *Inside OMB*, p. 128.

appeals are addressed to the President. However, they are often resolved before they reach that level, although this depends on the President's preferences. In cases of appeals on national security issues, the Director of OMB, the President's National Security Advisor, the Secretary of Defense, the Chairman of the Joint Chiefs of Staff, and others will often try to resolve appeals through compromise. When this is not possible, the appeal is passed to the President for decision. In these cases, the President may seek the advice of the same group, or he may elicit the opinions of others. Once the President decides, there is no further appeal. Interviews with OMB staff, with experience dating from the Nixon Administration, indicate that the level of Presidential involvement in the appeals process depends on the personality of the President. President Carter, for example, took an active role in deciding most appeals while President Reagan was involved only in exceptional cases.

The OMB staff treats the appeals process seriously because appeals carry the weight of the Cabinet Secretary of the appealing Department. Although lower levels of the bureaucracy may object to an OMB Director's decision, it does not become an appeal without the consent of the Department Secretary. The OMB staff noted during interviews that since Secretaries have a personal relationship with the President, it is in everyone's interest to resolve appeals before they reach the Oval Office.

**(8). December-January.** Upon completion of the appeals process, decisions are included in the budget and final adjustments are made. These adjustments are based on the latest predictions and forecasts, including inflation and employment figures. The budget is then printed.

**(9). January-February.** The President's Budget is submitted to Congress prior to close of business on the first Monday in February, although Presidents often provide budget highlights during the State of the Union Address in January. Once the budget is submitted, OMB reviews Department testimony in support of the budget to ensure it reflects the President's policies. It also exchanges information with the Congressional Budget Office (CBO) as appropriate to clarify specific issues. (OMB sources describe the relationship with CBO as constructive and valuable overall, although they acknowledge that there are disagreements and tensions.)

Once Congress begins its deliberations, OMB tracks the President's Budget through the Congressional process, assessing the impact of Congressionally mandated changes (i.e., scorekeeping), and recommending shifts in approaches as necessary.

**B. The Executive Branch—Informal Budget Preparation Process.** The informal processes for budget preparation are based on personal relationships for the most part. These include interaction between the OMB staff and Department officials with responsibility for preparing budgets. In the case of some appeals, informal processes may involve interaction between a Cabinet Secretary and the President. An OMB interlocutor noted that part of the OMB staff's job is to know what is going on in the Departments and Agencies for which they have responsibility. Thus, there are informal contacts between the OMB staff and the staffs of the Departments. While some staff contacts are more episodic than routine, in the case of DoD, contacts are continuous.

At more senior levels, clearly there are discussions between the President's key advisors, including the Assistant for Economic Policy, and cabinet officials as part of the appeals process.

Generally, the goal is to arrive at consensus solutions without involving the President. Achieving that goal requires informal interaction between principals to negotiate compromise solutions during the appeals process and at other times.

OMB participation in DoD program and budget reviews (and those of other Departments to a lesser extent) is an informal process that is almost formal. As noted above, OMB is involved in DoD PPBS processes from the outset. It often attends program reviews, and it frequently uses these reviews in place of the hearings it holds for other Departments.

**4. The Legislative Branch—Formal Budget Deliberation and Approval Process.<sup>168</sup>** There are three parallel budget processes that occur nearly simultaneously in the Congress. Although they formally begin when the President’s Budget arrives, in fact Members and staffs begin preparation months in advance. The three processes are the Budget Process, the Authorization Process, and the Appropriations Process. Each involves hearings, deliberations, and mark-ups (or amendments) of the President’s Budget and ultimately contributes to national security resourcing legislation.

There are timetables for these processes, but they are often ignored. Essentially, the goal is to produce the 13 appropriations bills and to have them signed into law by the President prior to the beginning of the next Fiscal Year. Meeting interim milestones often does not seem to be a significant priority, and, since Congress makes its own rules, it can change them to suit its needs.

**A. The Budget Process.** Each house of Congress has a Budget Committee that produces a Budget Resolution that is voted on by the full chamber, and when approved by both chambers is binding on both houses unless the rules are changed.<sup>169</sup> The Budget Resolution sets ultimate ceilings on spending for Authorizing and Appropriating Committees. In other words, it tells Committees and Subcommittees how much money they *may* authorize or appropriate. Authorizing Committees, in turn, set specific “ceilings,” while Appropriating Committees establish funding “floors.” The Budget Resolution also tells these committees how much revenue can be expected and the current services budget (i.e., how much it will cost in the next year to do the same things that are done in the current year). The Budget Resolution is an internal Congressional document that does not require the President’s signature.

At the outset of the Budget Resolution preparation process, OMB presents the Administration’s case to the Budget Committees usually in writing and in oral testimony. The Committees may also receive alternative views, such as those provided by the Congressional Budget Office (CBO).<sup>170</sup> Unlike OMB, whose job it is to create the budget, the CBO reacts to that budget. It does so by analyzing it, making recommendations, and providing alternative economic estimates and forecasts. Simultaneously, other Congressional committees review the President’s Budget and provide comments (views and estimates) approximately six weeks after it is received on the Hill.

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<sup>168</sup> Detailed discussions of how Budget, Authorizing, and Appropriating Committees are organized and how they operate are contained in Volume III entitled *Congress*.

<sup>169</sup> Budget Committees are standing committees created by the 1974 Congressional Budget and Impoundment Control Act. Unlike most other Congressional Committees, the Budget Committees have no subcommittees.

<sup>170</sup> The Budget Committees exercise oversight of the CBO.

The Budget Committee considers testimony and the views and estimates reports as it drafts the Budget Resolution, which, according to Congressional rules, must be passed by 15 April annually. Once both chambers adopt the resolution, Authorizing and Appropriating Committees conduct their mark-ups and draft legislation to the top lines provided by the resolution (and the accompanying report) for their committees. In some years, there is no concurrent Budget Resolution. When that occurs, both the House and the Senate traditionally mark-up using the House budget figures.

The Budget Committees are also responsible under the Budget Act of 1974 for providing reconciliation instructions whenever an Authorizing or Appropriating Committee exceeds the ceilings provided in the Budget Resolution. Essentially, reconciliation instructions tell the Committees and Subcommittees to take the necessary steps to bring revenues and expenditures into line through reconciliation legislation. The effect of reconciliation instructions is to keep committees from increasing spending for their areas of responsibility (and increasing the debt) without finding corresponding offsets from other committees, which are usually unwilling to give up a portion of their share of the budget.

**B. Authorizing Committees.** (See Appendix 6 of this chapter for process map.) Each chamber has Authorizing Committees that have jurisdiction over the organization and structure, roles and responsibilities, and the amount of funding for activities that come within their jurisdiction. Authorizations set specific funding “ceilings.” These Committees conduct hearings; they consider bills, resolutions and reports; and they conduct or direct studies and reviews of matters over which they exercise oversight. Although the present discussion begins with the Authorizing procedures, Authorizing and Appropriating Committees actually conduct their work simultaneously.

By Congressional rules, Appropriations Committees appropriate funds based on programs and amounts authorized by the Authorizing Committees. The Authorizing Committees establish ceilings on expenditures; the Appropriating Committees provide actual funding and may provide less than what is authorized. Rules also require that only Authorizing Committees are empowered by the Congress to draft legislative (or policy) language for inclusion in Congressional bills. However, both rules are often violated. In fact, it is not uncommon for Appropriating Committees to complete their work before Authorizing Committees do, and legislative language is often included in Appropriations bills.

The Authorizing Committees and their Subcommittees formally begin work upon receipt of the President’s Budget, although they usually do not mark up legislation until after the Budget Resolution is passed, or the decision is made to use a particular set of budget assumptions in lieu of the Budget Resolution. Initially, Authorizing Committees conduct a series of hearings that involve Department posture statements delivered by senior officials. These hearings are often wide-ranging and do not necessarily focus on the President’s Budget. Frequently, authorizing hearings are vehicles for Members to challenge Administration policy, strategy, or ongoing initiatives.

Typically, the line-up for testimony is fairly deep. For example the full House Armed Services Committee (HASC) will usually receive testimony from the Secretary of Defense, the Deputy Secretary, the Under Secretaries, some Assistant Secretaries (e.g., ASD (C3I), ASD (S&TR)), the Service Secretaries, the Chairman of the Joint Chiefs of Staff, the Vice Chairman of the Joint Chiefs of Staff, the Joint Chiefs, and the Unified Command Commanders-in-Chief

among others. Subcommittees (which begin meeting before testimony before the full Committee is complete) may ask for testimony from some of the same experts, and they often delve several layers deeper. For example, Deputy Assistant Secretaries and functional subject matter experts at the action officer level may be called on to testify before Authorizing Subcommittees.

In addition to Department officials and experts, Committees and Subcommittees routinely seek testimony from non-government expert witnesses. These include members of academia, industry officials, and former government officials.

Hearings occur according to the rules established by the Committee or Subcommittee Chair, usually in conjunction with the Ranking Minority Member of the Committee or Subcommittee. Committee majority and minority professional staffs prepare the agenda and furnish Members with central themes and questions as directed by the Chair and the majority and minority staff directors. Professional staffs usually provide hearing packets to Members a day or so before the hearings containing the agenda, lists of witnesses, suggested questions and themes, and witness' written testimony, if provided by the witnesses.

Members' personal staffs review these packets and prepare packets for Members that correspond to the Members' interests. For example, professional staff read-ahead packages are often broad, or reflect the interests of senior Committee Members. If a Member has an interest that goes beyond the read-ahead package, his/her staff will provide the necessary information. Thus, if the Service Chiefs of Staff are scheduled to give their posture statements, a Member who is concerned about treatment of women in the military will most likely depend on his/her personal staff to prepare appropriate questions for use by the Member.

The testimony season begins in February and continues into the summer. Toward the end of this process, Subcommittees and Committees will begin to mark up proposed authorizing legislation.<sup>171</sup> Committee and Subcommittee "marks" are conducted according to rules promulgated by the Chair. They are often closed to the public, and sometimes the number of staff members who can attend is also limited.

The mark up is really a series of amendments and compromises that produces the version of the bill that will ultimately be voted on by the entire body and then sent to conference with the other chamber. While marks always involve partisan efforts on behalf of particular programs, bipartisan cooperation is common, especially if the issue is one that affects a number of Congressional districts. Examples of bipartisanship during 1997 mark ups involving national security resourcing matters included agreements to authorize purchase of additional C-17, B-2, and F/A-18E/F aircraft. (This example also illustrates the fact that the Congress may require the Administration to expend resources for items that the Executive Branch does not believe necessary, such as more C-130s.)

Once the mark-up is complete and the Committee has voted on the amended version of the bill, the staff prepares reports and the final bill draft, which are sent to the floor for deliberation and vote. The bill is usually floor-managed by the Committee Chair or others

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<sup>171</sup> Because Congress writes its own rules, mark-up procedures vary and Committee Chairs usually have the final word over the process. Not all Committee Chairs permit their Subcommittees to mark up. The Senate Foreign Relations Committee, for example, does not conduct Subcommittee marks under the current Chairman. By contrast, Senate Armed Service Committee Subcommittees do hold mark ups.

designated by him/her. During floor deliberations, members may offer amendments, depending on the rules of debate and germaneness. Upon approval of each chamber's version of the authorization bill, a conference is scheduled to resolve differences between the House and Senate versions.

Conferences typically occur during the summer and fall, depending on when authorization bills are passed. Committee Chairs and Ranking Members normally choose conference Members, and conferences may be sub-divided along Subcommittee lines. Most compromises reached during conferences are worked out by the staff and approved by Members. A few issues may require active Member participation to resolve.

Compromises and amendments reached during conference are inserted into joint resolutions, and Conference Reports are published to reflect conference proceedings and agreements. When both houses pass the resolutions, they become the basis for appropriations and are sent to the President for signature.

**C. Appropriations Committees.** (See Appendix 7 of this chapter for process map.) Like Authorizing Committees, Appropriations Committees were created by Congressional rules. There is no Constitutional requirement for their existence. However, the Constitution does require that all expenditures of public funds be appropriated by law, and the Appropriations Committees were created to help Congress fulfill this obligation. (Until the 1860s, there were no separate Authorization and Appropriations Committees; a single committee did both.) Appropriations Committees establish funding “floors.”

**A**t the outset, several premises should be understood. First, government departments and agencies cannot spend more money than Congress appropriates to them, nor can they re-program funds for purposes other than that prescribed by Authorization and Appropriations bills and reports without approval. Second, according to Congressional rules and customs, when specific amounts are specified in authorizing legislation, the Appropriations Committee and its Subcommittees may not appropriate more money than the authorizing legislation allows, although they may appropriate less. Third, appropriations bills are law, and any policy or legislative provisions included in them are also law, despite internal Congressional rules that prohibit the inclusion of policy language in appropriations. If legislative (or other) provisions are in conflict with Authorizing provisions, the most recently passed bill has precedence—usually the Appropriations Bill. Fourth, Appropriations bills can amend Authorization bills under some circumstances.

In Congressional appropriations, the “account” is the most basic unit of appropriations legislation. Accounts include a number of expenditures that are included in single unnumbered paragraphs in appropriations bills. Each unnumbered paragraph applies to one account alone.<sup>172</sup> However, many of a Department or Agency’s appropriations will be bundled into a single account, and it is not unusual to find agency salaries and expenses funded from a single account.

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<sup>172</sup> Numbered paragraphs apply to all accounts in an appropriations bill. Generally, numbered paragraphs provide limitations, legislative provisions, and provisions that apply across the government.

Appropriations bills often contain information and instructions about how these funds are to be spent, but most of the detail will be placed in the accompanying Committee report.<sup>173</sup>

The Appropriating Committees are responsible for reporting out the 13 regular appropriations bills and usually at least one supplemental and one continuing resolution each year. Each regular appropriations bill consists of three major features: an enactment clause designating the fiscal year; specific account appropriations and account provisions; and provisions that apply generally.

Most of the Appropriations Committees' work is performed by 13 Subcommittees, each of which has responsibility for one of the regular appropriations measures. Although they have different titles, the actual jurisdictions of House and Senate appropriations Subcommittees align almost exactly, and bills reported out by Subcommittees are usually not changed substantively by the full Committees.

**T**raditionally, Appropriations Bills originate in the House, but there is no legal requirement that they do so. As a rule, however, the House Appropriations bills are produced first, then reviewed by the Senate. One effect of this procedure is that the Senate is usually faced with appropriations that are very close to the ceilings established in the concurrent Budget Resolution. Thus, much of what the Senate does falls into the category of shifting funds from one program or account to another rather than introducing new programs.

Although informal preparations begin much earlier, the House and Senate Appropriations Committees begin work formally when the President's Budget arrives, even though the Senate does not usually conduct mark ups until it receives the House version. The process—which involves hearings and investigations—is very similar to that used by the Authorizing Committees (although the specific procedural rules are different), and the Appropriations Subcommittees and Authorizing Committees often call many of the same witnesses.

Essentially, the 13 Appropriations Subcommittees conduct hearings to verify estimates and costs and examine alternative approaches. They may also examine policy issues, often by agreement with the Authorizing Committees. In some respects, their interests overlap with those of the Authorizing Committees, although they may arrive at different conclusions.

Once Appropriations Bills have been marked up and passed by the House, they are sent to the Senate where the process is repeated. When the Senate passes its version, a conference is scheduled and differences between the versions are reconciled. Both chambers then pass the bill and it is sent to the President for signature. If the President approves the bill it becomes law. If he vetoes it, it is returned to Congress for amendment or override. If he neither vetoes nor returns the bill within ten days while Congress is still in session, the bill also becomes law without the President's signature; however, this method is rarely used.

**5. The Legislative Branch—Informal Budget Deliberation and Approval Process.** As is true of political processes in general, Budget, Authorization, and Appropriations processes on the Hill involve compromise, much of which occurs informally. Agreements (crafted between

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<sup>173</sup> Reports are not legally binding on the Executive Branch. However, Executive Branch officials traditionally honor substantive requirements in reports because to ignore them risks having the provisions written into law the following year, perhaps with more stringent requirements.

members, between staffers, and sometimes between members and staffers) are based on personal relationships and common interests. Both are equally important, especially for bipartisan efforts. For example, in 1997 the Chairman of the HASC,<sup>174</sup> the Ranking Member, and a small group of staffers put together a broad DoD reform initiative and presented it to the HASC as part of the mark-up.<sup>175</sup> Their efforts both to craft the initial proposal and to shepherd it through committee resulted in incorporating most of the provisions into the FY1998 Authorization Bill.

Personal contacts are also important in bridging the gap between Budget, Authorizing, and Appropriations Committees. Although a few members of each committee may serve on one of the others, most exchanges of information and compromises occur through informal, personal contacts.

Although work on the budget formally begins when it arrives on the Hill, professional and personal staff informally track Executive Branch programs and budget preparation in the months prior. For example, if a program is of interest to a Member, his/her personal staff (and depending on seniority of the Member, Committee professional staff) will employ informal contacts to provide updates and to attempt to influence preparation of the President's Budget. These contacts may involve the Department directly, or they may be based on information provided to the staff by contractors involved in production.

**A**nother important informal process, though one of long standing, involves the intervention of outsiders in the budget process. Outsiders fall into two general categories: Members who do not sit on committees with national security responsibilities, but who have national security interests; and lobbyists and political action groups.

The former group includes those who have both altruistic and constituent interests, but who serve on non-national security related committees. For example, a Member may have an electronics plant in his/her district that would benefit from more robust Defense procurement funding. Or a Member may feel strongly that defense spending will cut deeply into social programs.

In these cases and others, Members are likely to seek out other Members who sit on national security committees and enlist their assistance informally. This can occur on a larger scale in cases where state delegations tend to vote together on issues that affect Members, as sometimes occurs with the California and Texas delegations in the House. Either method can be effective.

Lobbyists, political action groups, and private citizens can also interact informally with Congressional processes. Members who have seats on the Armed Forces Committees (and their staffs), for example, are often bombarded with information and appeals for help from these sources. Not infrequently, lobbyists are the only sources of information for Members with respect to particular programs. In some cases, lobbyists work closely with Members to develop coalitions of like-minded Members for particular issues—almost as adjunct staff. This occurred, for example, when Congress debated buying nine additional B-2 bombers in 1997. In this instance, major contractors and their suppliers provided information to Members on how other

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<sup>174</sup> The HASC was then known as the House National Security Committee (or HNSC)

<sup>175</sup> This measure was originally H.R. 1777 and was informally referred to as the Spence-Dellums Resolution after the Chair and Ranking Member of the Committee.

Members were likely to vote and data on the number of workers in each district whose jobs might depend on additional production. Political action groups operate in similar ways. As was true in the case of Member-to-Member relations, these approaches are usually informal and often consist of telephone calls or drop-by visits.

Although prohibited by law from lobbying, Military Services engage in similar practices. They often provide information and offer Members the opportunity to visit bases or crisis areas. Each Service has liaison officers on the Hill, and each has a flag or general officer as the senior Congressional liaison. Calls to liaison offices by Members or their staffs usually produce prompt responses. In some cases, they can result in the appearance of senior uniformed officers to personally explain Service policies and positions. During Congressional deliberations over appropriate methods for conducting basic training (single sex or co-ed), three-star representatives from each Service made the rounds of key House Members to state their Service's case, and in the case of the Marine Corps, the Commandant was personally involved. Other Departments and Agencies have similar liaison structures.

## **6. Observations.**

**A. Links Between Resource Allocation and National Security Strategy.** The preparation and deliberation of resource allocation processes are characterized by a plethora of alternative approaches. The competition among alternatives at all levels, while time consuming, helps ensure that decision makers are provided with the best options from which to choose. In considering options, it is important to link them to strategy and policy goals. Reviews and hearings held by the Departments and OMB help to do that during preparation, as do the witnesses summoned by Congress during its deliberations.

However, in general there is no Executive Branch-wide national security document to which programs can be pinned. The National Security Strategy is too broad and general to serve as a planning and programming document that illuminates Administration strategy and directs programming to ensure that strategic objectives are satisfied. This situation contrasts with the Department of Defense, which publishes a Defense Planning Guidance (DPG) document that provides programming instructions for the Services that are linked to DoD strategy. However, even the DPG often fails to list objectives—let alone prioritize them. As threats and challenges become more complex and responses require actions by different Departments and Agencies acting in concert, the absence of national-level planning guidance may prove detrimental.

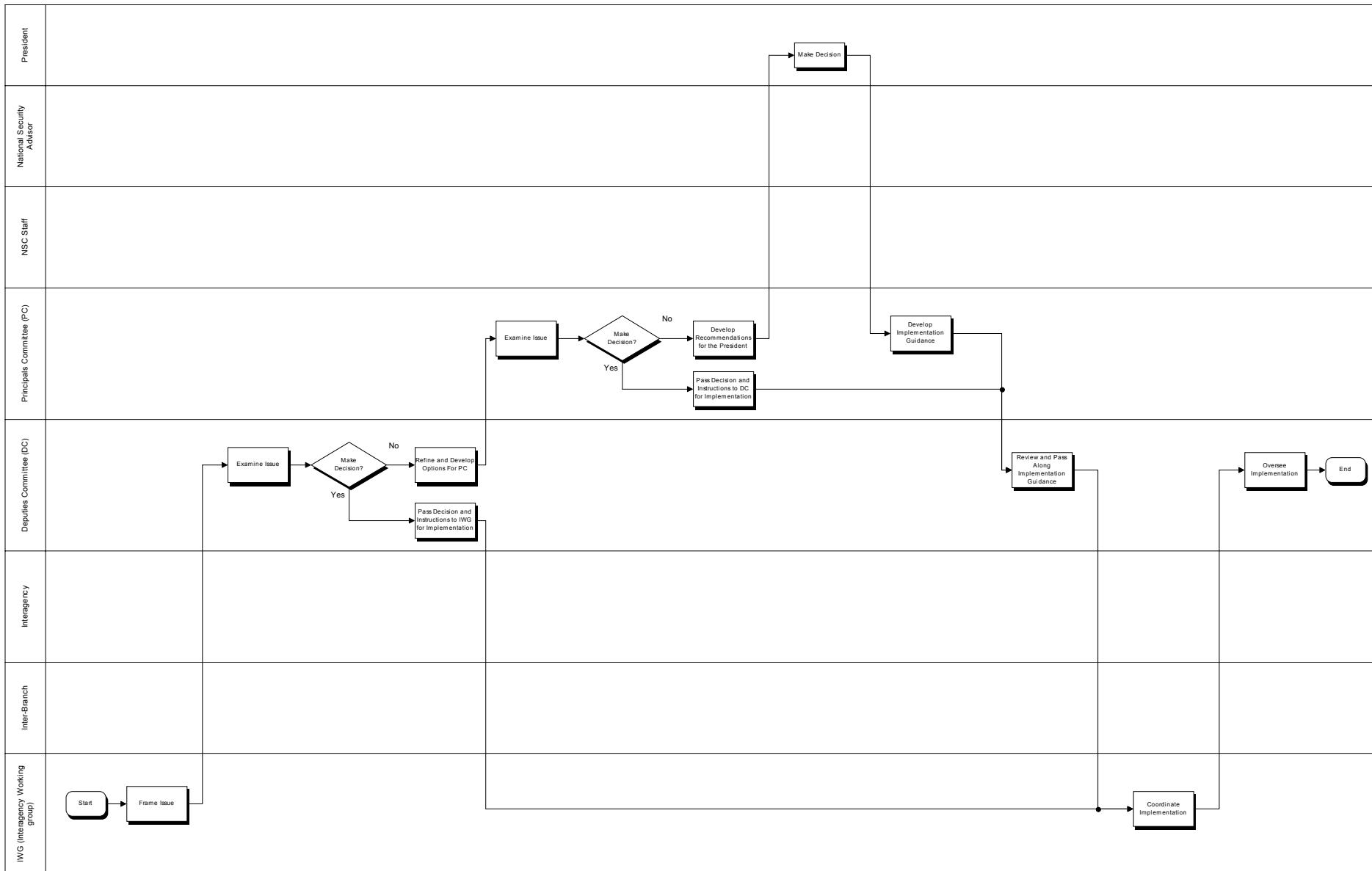
**B. The OMB-DoD Link.** An informal yet productive relationship exists between OMB and DoD. Essentially, OMB is involved in DoD budget preparation through staff interaction and OMB participation in DoD program reviews. This relationship, while sometimes adversarial, ensures that each side is aware of the other's perspective, and it offers the opportunity for issue clarification and resolution at the lowest level possible.

Yet this link, while effective and well developed, is Department-focused, as are the links between OMB and other Executive Branch entities. Given this approach and OMB's organization, it is difficult to set up cross-functional reviews that involve more than one Department. For example, determining spending for homeland security or counter-proliferation efforts across the President's Budget is cumbersome and time consuming.

**C. Outsider Influence in Congressional Deliberations.** Lobbyists and political action groups are a constant part of Congressional budget deliberations. Sometimes they even act as auxiliary staff, providing analysis, data, and other forms of information to staff—especially personal staff members. While this service has some value for staff who are usually not subject matter experts for most programs and who are pressed by other responsibilities, the information may not be objective. In essence, lobbyists and political action groups are advocates who are rewarded based on the success of their advocacy. Although they have the right to advocate, their efforts sometimes upset the value of the competition between alternatives that occurs during the budget preparation process.

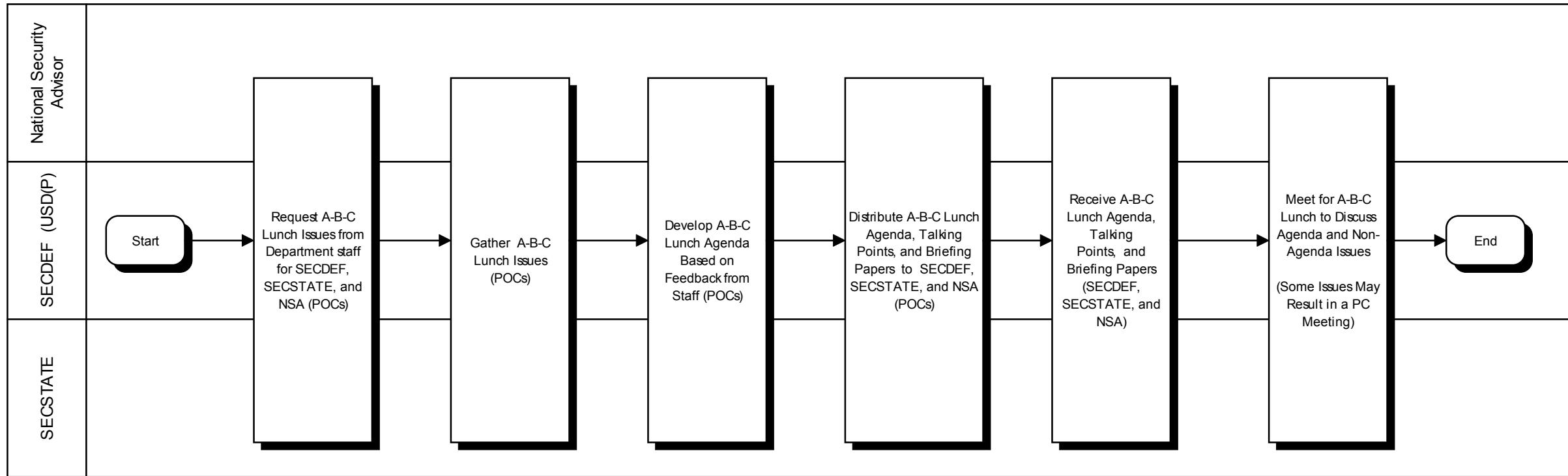
## **APPENDICES**

## Overarching National Security Process – (Formal) - Security Policy and Strategy Development - PDD-2



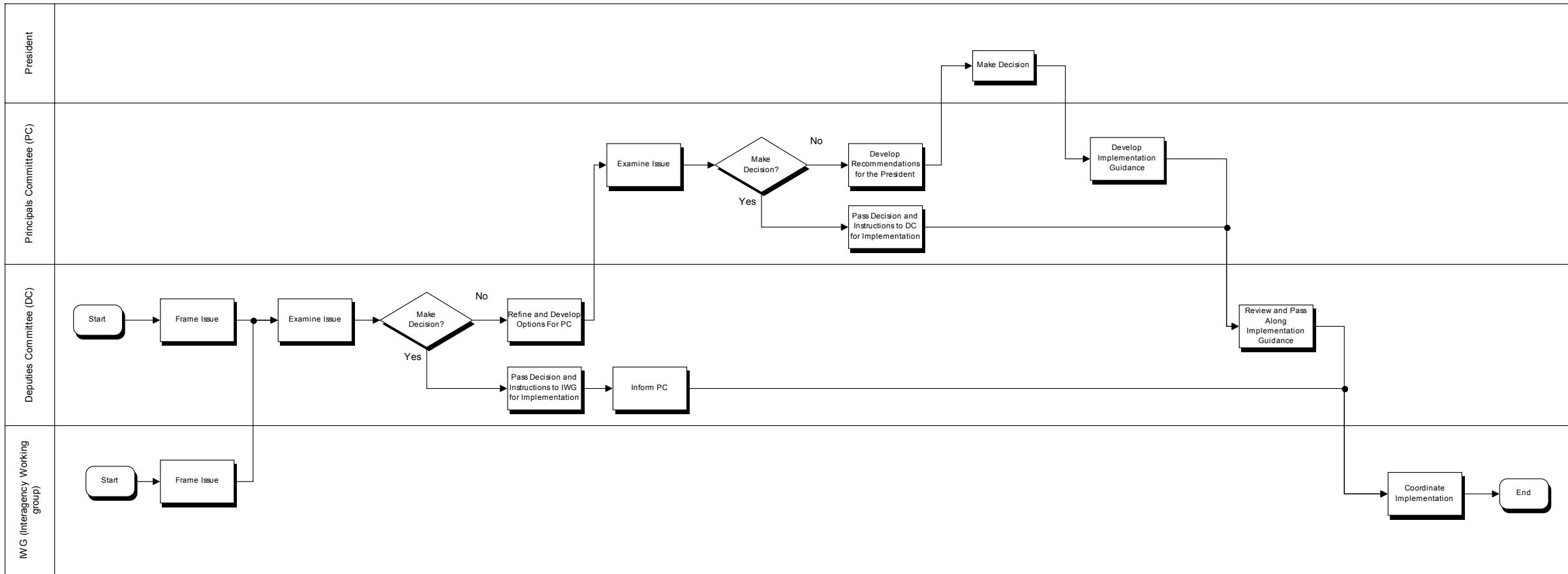
Appendix 1

Overarching National Security – (Informal) – Security Policy and Strategy Development – The Albright-Berger-Cohen (A-B-C) Breakfast/Lunch

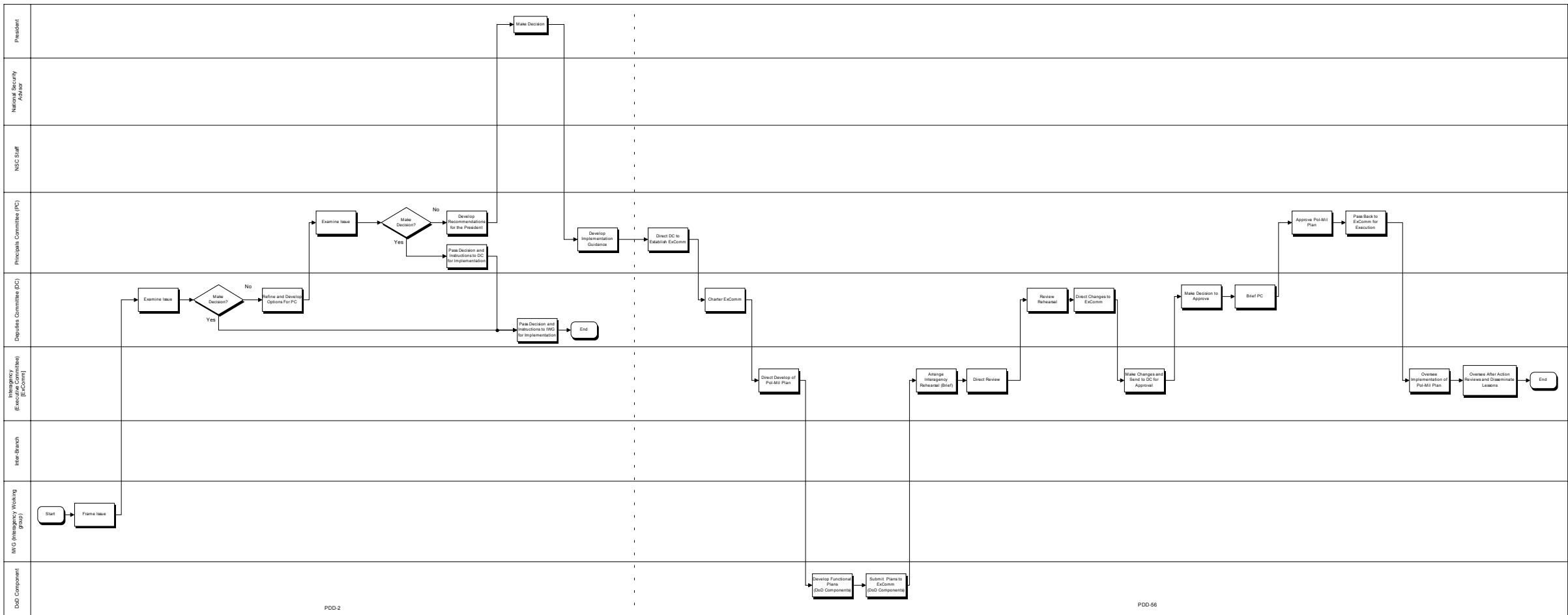


A-B-C - Albright-Berger-Cohen  
 PC - Principals Committee  
 POC - Point of Contact

## Overarching National Security Process – NEC – (Formal) – Security Policy and Strategy Development - General

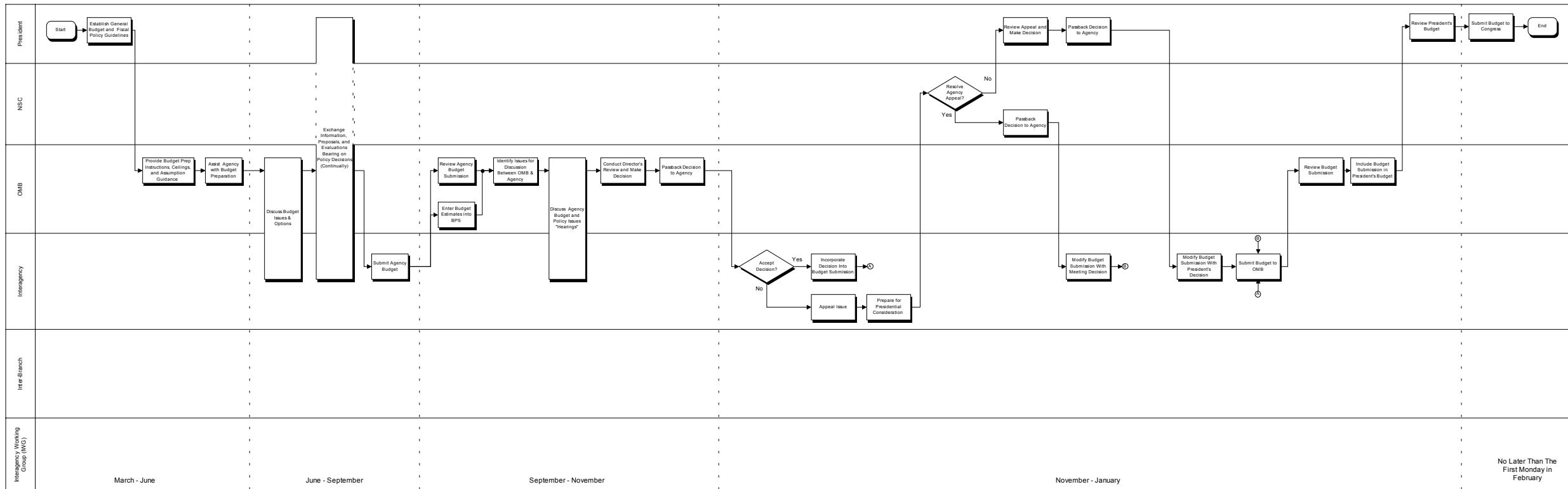


Overarching National Security Process – (Formal) – Security Policy and Strategy Planning and Implementation - PDD 56



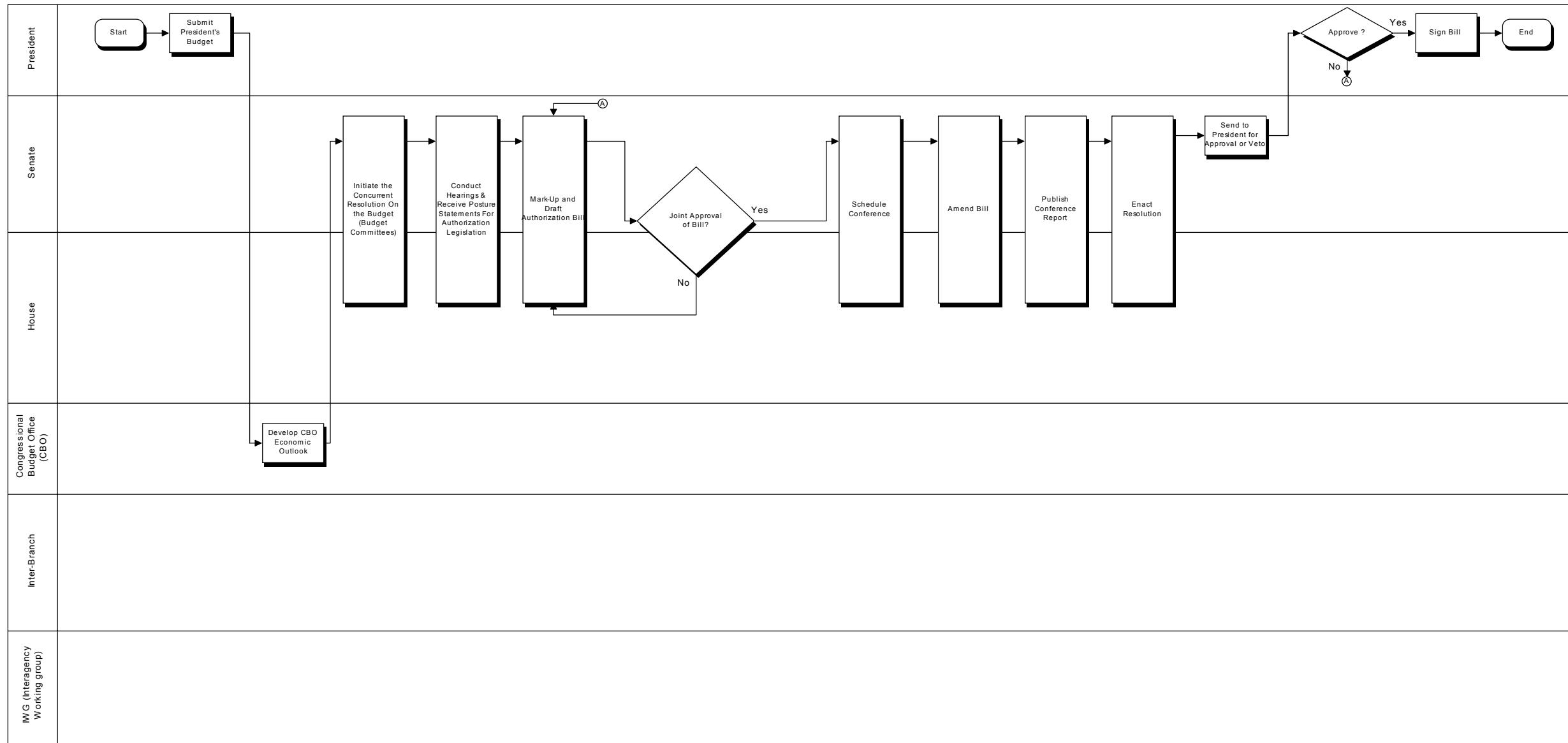
## Appendix 4

## Overarching National Security Process – (Formal) – Security Resource Allocation – The Executive Branch Budget Preparation Process

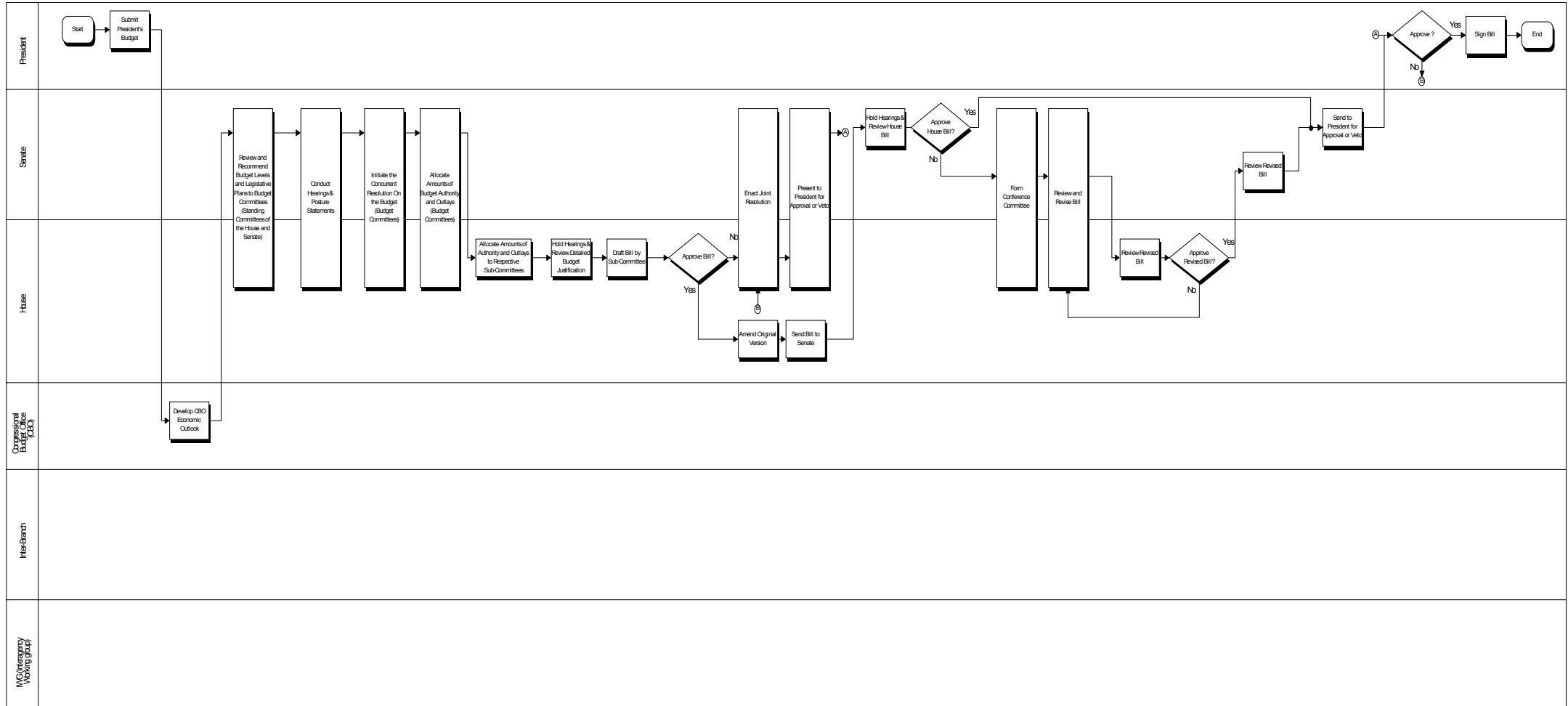


Appendix 5

## Overarching National Security Process – (Formal) – Security Resource Allocation – The Legislative Branch - Authorizations



## Overarching National Security Process – (Formal) – Security Resource Allocation – The Legislative Branch - Appropriation



## **Chapter 3**

### **Organization and Reader's Guide**



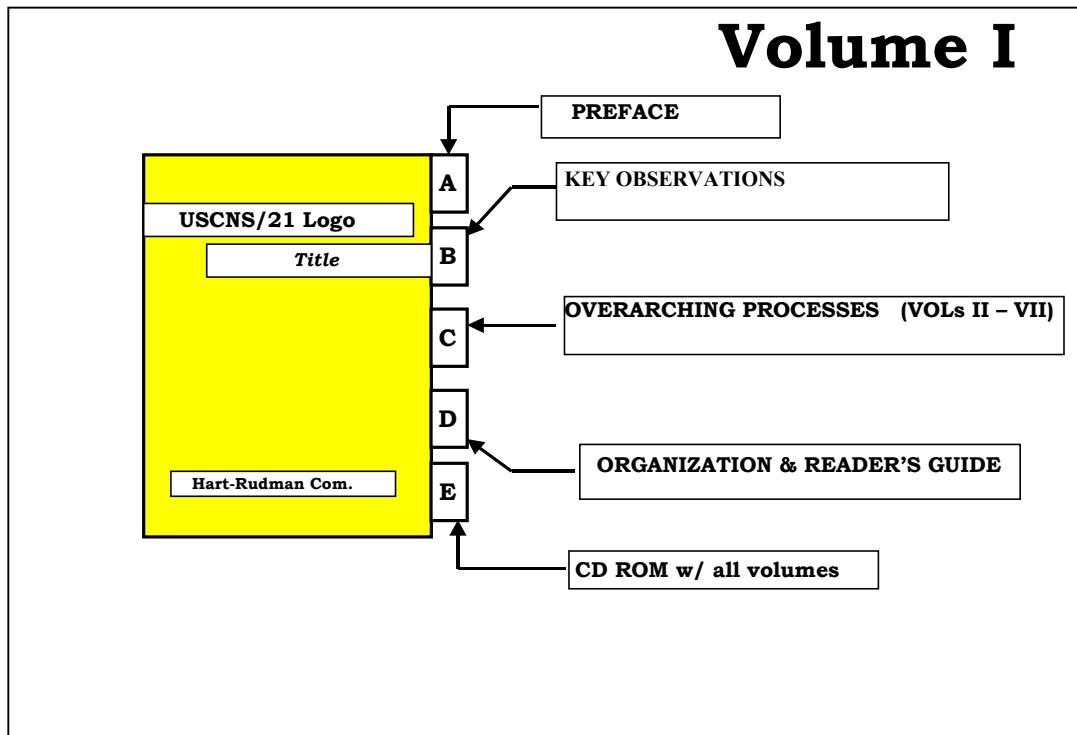
*Prepared for the U.S. Commission on National Security/21<sup>st</sup> Century*

## ORGANIZATION AND READER'S GUIDE TO THE PHASE III ADDENDUM

**1. Seven Volume Addendum.** The Phase III Addendum describes approximately 80 organizations that participate in America's national security processes. Its seven volumes (1,200 pages) analyze key processes throughout the federal government, to include interagency and inter-branch organizations. The Addendum offers important observations and documents major problems germane to the future strength of our national security. The Addendum is released as a short one-volume Executive Summary that also contains the remaining volumes on an enclosed CD ROM.

The Addendum has a three-fold purpose: to provide a reference "baseline" for further Phase III research; to demonstrate a "working knowledge" of the national security apparatus to validate the Commission's depth and breadth of research; and to provide a starting point for Phase III implementation "road maps."

The Addendum is organized into seven volumes. Volume I contains the key observations and describes the overarching interagency and inter-branch processes at the national security level (see Figure 1).

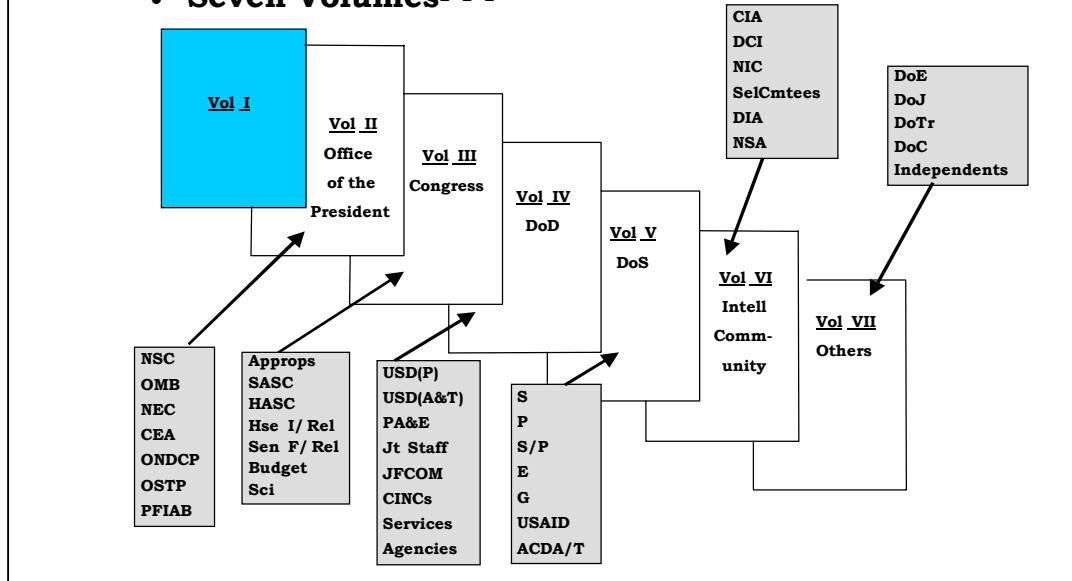


**Figure 1. Organization of Volume I.**

The rest of the Addendum's volumes are depicted below in Figure 2.

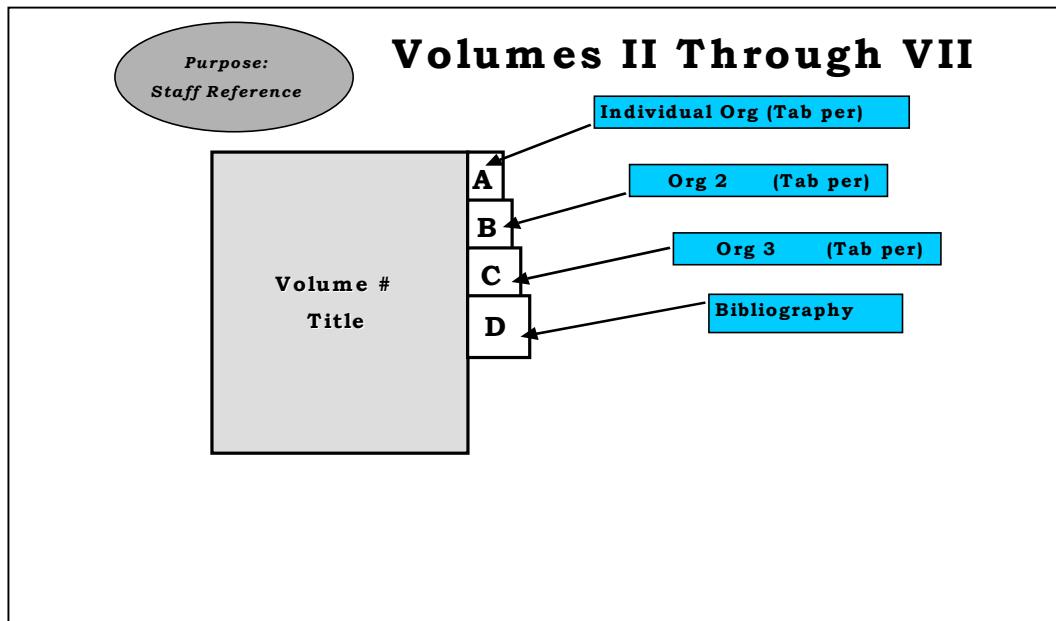
# Report Organization

- Seven Volumes - - -



**Figure 2. Overall Report Organization.**

Volumes II through VII are generally organized in the format shown in Figure 3.



**Figure 3. Individual Volume Organization, Volumes II – VII.**

**2. Individual Volumes.** Each chapter within these volumes is designed to serve as a stand-alone reference for a specific organization and its role in national security processes. The chapters are presented in a standard format to permit comparisons and facilitate research. That format is:

- The Executive Summary provides an organizational overview and observations.

- Section 1 identifies the legal basis for the organization and significant organizational and interagency directives that pertain to it.
- Section 2 notes the major responsibilities of the organization, identifies subordinate organizations, and delineates the organization's major products.
- Sections 3 and 4 deal with the vision, strategy, values, culture, leadership, staff attributes, and structure of the organization.
- Section 5 discusses the organization's formal role in seven broad key process categories.
- Section 6 provides information on the organization's roles in informal processes.
- Section 7 outlines the responsible Congressional committees, the budget, and the personnel strength of the organization.
- Section 8 provides observations on ways in which the organization contributes to national security.

Descriptions of organizations deemed most significant to the current national security apparatus include matrices that relate products and roles to key processes. “Process maps” have been added as appendices for these organizations. Appropriate references are included in the text or in footnotes to guide readers to other volumes or chapters to gain a more complete understanding of particular concepts or issues. A bibliography is added at the end of each volume, and an acronym glossary is also placed at the back of the Volume VII.

**T**hese volumes are based on comprehensive searches of available literature, laws, and directives and extensive interviews with current and former practitioners. Research included both formal and informal processes. There is sufficient information on each organization to fill several volumes, thus the synthesis of information in the Addendum focuses on national security processes, versus the operational or tactical levels of abstraction.

The organization and process analysis was conducted along seven “key processes” developed by the U.S. Commission on National Security/21<sup>st</sup> Century. Because these terms are constantly used and referenced in the Addendum, they are included in Attachment 1 to this chapter. Organizational descriptions in the dedicated chapters of each volume (Sections 3 and 4) refer to certain attributes that are defined in Attachment 2 to this chapter.

## ATTACHMENT 1

### **National Security Key Processes: Definitions, Products, and Relationships**

***Strategy Development—Definition.*** The collaborative process by which organizations: (1) Devise and refine visions, assumptions, goals and objectives, endpoints, threats, and the means to achieve goals and objectives in light of those threats; (2) Describe the future strategic environment, strategies for coping with it, and their role in that strategy; and, (3) Influence overarching and adjacent (higher, lower, and parallel) national security strategy processes in ways that preserve and support national security goals and objectives against a variety of threats and maximize organizational agendas and aspirations.

Examples of Significant Products include the National Security Strategy and classified and unclassified Presidential Decision Directives.

Relationship to Other Processes. The vision and strategy that emerge from this capstone process should inform all other processes. To the extent that is does not, a dysfunctional seam or gap may exist.

***Policy, Guidance, and Regulation—Definition.*** Processes that: (1) Are used to create, maintain, and modify organizations and their overarching responsibilities, organizational structures, objectives; (2) Establish performance standards necessary for operation of the national security apparatus in accordance with vision and strategy; (3) Govern and direct development of plans and the implementation of plans during mission execution.

Examples of Significant Products include Presidential Decision Directives that govern the interagency process, Congressional actions that specify organizational roles, and Departmental directives and regulations that prescribe missions, functions and responsibilities.

Relationship to Other Processes. Prescribes rules, methods of operation, and structures for monitoring progress and accomplishing vision and strategic goals and objectives. Guides development of supporting processes and structures and defines timelines.

***Planning—Definition.*** A process focused on short-, mid-, and long-term increments that: (1) Structure information and tasking exchanges among relevant organizations focused on anticipating, or responding to, specific national security issues or requirements; (2) Develop, analyze, and evaluate options for achieving strategic goals; (3) Determine resources necessary to accomplish objectives under given courses of action, and reconcile shortfalls when necessary by adjusting resources, objectives, or options.

Examples of Significant Products include operational plans, contingency plans, political-military plans, and guidance for determining requirements and preparing resource requests.

Relationship to Other Processes. Gives actionable form to vision and strategic goals and methods to achieve them in light of risks, threats, and applicable resources. Informs requirement determination, resourcing, and preparation processes. Provides the basis and frame of reference for mission execution actions.

**Mission Execution/Implementation—Definition.** The processes for: **(1)** Accomplishing operational (as opposed to strategic) goals and objectives by supervising and directing the actions of entities involved in carrying out diplomatic, military, and law enforcement operations *inter alia*; **(2)** Coordinating, synchronizing, and/or harmonizing the actions of several entities involved in the same mission to ensure appropriate levels of performance.

Examples of Significant Products include executing/implementing political-military plans, crisis management regimes, and active operational plans.

**Relationship to Other Processes.** Vision and strategy provide framework for mission execution and implementation actions. Policy, Guidance, and Regulation determine the available structures. Planning provides execution options. Preparation and resourcing determine assets available for execution. Observation, Orientation, and Oversight uses lessons learned to improve mission execution processes over time and authority for some forms of oversight.

**Observation, Orientation, and Oversight—Definition.** Processes by which organizations, managers, and supervisors ensure that: **(1)** Organizations establish analytical procedures and criteria that capture, analyze, and act on information about themselves in order to improve their performance (with respect to organizational vision and strategy) and respond to environmental changes; **(2)** Organizations exercise statutory or regulatory authority over their own and other activities or functions (including intelligence, analysis and assessment activities) to ensure best practices, quality control, and resource conservation.

Significant Products include major reengineering and reinvention initiatives, directions to modify particular actions or activities based on analytical review and evaluation of previous performance, legislation/directives requiring specific actions.

**Relationship to Other Processes.** Provides the basis for reviews of strategy and vision; policy, guidance, and regulation; mission execution; preparation; and resourcing (especially requirements determination). Provides authority for oversight.

**Preparation—Definition.** The processes—including training and education, progress evaluation, modernization and reengineering, research and development, and acquisition—that ensures entities are ready to accomplish short-, mid-, and long-term requirements as foreseen by vision and strategy.

Examples of Significant Products include career development programs, curricula and programs of instruction, training programs, political and/or military exercises and simulations, reform initiatives, and procurement programs.

**Relationship to Other Processes.** Ensures readiness of applicable organizations to undertake requirements set forth in strategy and vision and elaborated on through planning. Closely linked to resourcing in a reciprocal fashion.

**Resourcing—Definition.** The processes by which: **(1)** Requirements are defined and resources (including financial, materiel, and personnel) are provided or reallocated to satisfy those requirements in accordance with priorities established in vision, strategy, and high level planning; **(2)** Acquisition programs are managed to optimize efficiency and effectiveness.

Examples of Significant Products include budget submissions, legislative authorizations and appropriations, manning levels, and priority determination.

Relationship to Other Processes. Provides resources for preparation, planning, and accomplishment of strategic objectives. Requirements generation should be closely bound to strategy and preparation processes.

## ATTACHMENT 2

### National Security Apparatus Attributes and Definitions

**Structure**—The *framework* of an organization that depicts: **(1)** The formal relationships of subordinate components of the organization in ways that help identify their roles in key and supporting processes; **(2)** The relationships of the aggregate organization to other organizations with like or similar roles and missions.

**Processes**—The *major work activities* of an organization that prescribe how the organization's structure gathers and uses information and/or material to generate products (including decisions and decision making support) in ways that are consistent with established requirements.

Processes may be: **(1)** Key processes such as the seven described in the preceding section that result in end products; or **(2)** Supporting processes that enable key processes to function effectively and efficiently. There are both formal and informal processes: **(1)** Formal processes are those described in directives, regulations, or legislation that specifically define inputs, flows, and outputs; **(2)** Informal processes are not formally sanctioned and may replace formal processes in part or in total.

**Values**—Invisible elements of the *psychological make up* of organizations that help define what an organization considers significant and differentiate it from other organizations. Values are enduring, resistant to change, and represent the core of what members of the organization consider most important at a given point in time. If values are out of alignment with culture, leadership, and organizational strategy, a disruptive tension may occur.

**Culture and Leadership Traditions**—Elements that comprise the *institutional character* of organizations that translate values into observable actions and conditions. Organizations function best when culture and leadership represent organizational values. In other words, an organization that values decentralization works best when leadership permits that manner of operation. Or, an organization that values innovation functions best when its culture facilitates openness and creative thinking.

**Core Competencies**—Those *basic functions* that the organization believes it performs best in terms of product value or quality. What an organization identifies as core competencies reflects in part its values, culture, and the leadership's agenda. Identifying core competencies helps decision makers determine and communicate what is important for the organization to do, and what should be done by outsiders. They also assist leaders and managers to decide how to allocate resources and assign priorities.

**Staff Attributes**—The formal and informal qualifications necessary for an organization's staff to function effectively with respect to core competencies and overhead requirements. Attributes may be formal and include training and job progression, education, and specific skills. Attributes may also be informal and include intangible aspects such as how well an individual fits into an organization's culture.

**Organizational Strategy**—Strategy is the outward manifestation of an organization's vision and the agenda of its leaders. It delineates ways in which an organization strives towards its vision and specifies intermediate goals and objectives. It is closely related to core competencies—or at least ought to be—and like core competencies it aids in establishing priorities and allocating

resources and linking them to goal achievement. Strategy often influences structure and process, and changes in strategy usually reverberate in both.

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**ROAD MAP FOR NATIONAL SECURITY:  
ADDENDUM ON STRUCTURE AND PROCESS ANALYSES**

**GLOSSARY OF ABBREVIATIONS**

**A**

AAR	After Action Review
ABC	Albright-Berger-Cohen
ABM	Anti-Ballistic Missile
ACAT	Acquisition Category
ACC	Air Combat Command
ACDA	Arms Control and Disarmament Agency
ACEP	Advisory Committee on Export Policy
ACIP	Advisory Committee on Immunization Practices
ACJCS	Assistant to the Chairman of the Joint Chiefs of Staff
ACOM	United States Atlantic Command
ACTD	Advanced Concept Technology Demonstration
ADAPT	Advanced Design and Production Initiative
ADB	Asian Development Bank
ADCI	Assistant Director of Central Intelligence
ADCI/AP	Assistant Director of Central Intelligence for Analysis and Production
ADIC	Assistant Director in Charge
ADM	Acquisition Decision Memorandum
ADP	Automated Data Processing
ADR	Alternative Dispute Resolution
AEC	Atomic Energy Commission
AEF	Aerospace Expeditionary Force
AETC	Air Education and Training Command
AFC	Air Force Council
AFDB	African Development Bank
AFG	Air Force Group
AFI	Air Force Instruction
AFMC	Air Force Materiel Command
AFMIC	Armed Forces Medical Intelligence Center
AFPD	Air Force Policy Directive
AFRC	Air Force Reserve Command
AFSOC	Air Force Special Operations Command
AFSPC	Air Force Space Command
AG	Australia Group
AISES	American Indian Science and Engineering Society
AMC	Air Mobility Command
AMIO	Alien Migrant Interdiction Operations
ANSIR	Awareness of National Security Issues and Response
AOAs	Analyses of Alternatives
AOO	Area of Operations
AOR	Area of Responsibility

APG	Asia/Pacific Group on Money Laundering
APNSA	Assistant to the President for National Security Affairs
ASCI	Accelerated Strategic Computing Initiative
ASD	Assistant Secretary of Defense
ASD(C3I)	Assistant Secretary of Defense for Command, Control, Communications, and Intelligence
ASD(ISP)	Assistant Secretary of Defense for International Security Policy
ASD(LA)	Assistant Secretary of Defense for Legislative Affairs
ASD(PA)	Assistant Secretary of Defense for Public Affairs
ASD(S&TR)	Assistant Secretary of Defense for Strategy and Threat Reduction
ASD(SOHA)	Assistant Secretary of Defense for Special Operations and Humanitarian Assistance
ASEAN	Association of South East Asian Nations
ASH	Assistant Secretary of Health
ATACMS	Army Tactical Missile System
ATF	Bureau of Alcohol, Tobacco, and Firearms
ATG	Advanced Technology Group
ATP	Advanced Technology Program
ATSD(I0)	Assistant to the Secretary of Defense for Intelligence Oversight
ATSD(NCB)	Assistant to the Secretary of Defense for Nuclear and Chemical and Biological Defense Programs
ATSDR	Agency for Toxic Substances and Disease Registry
AWACS	Airborne Warning and Control System

## B

BA	Budget Authority
BBS	Bureau Budget Submission
BEA	Bureau of Export Administration
BES	Budget Estimate Submission
BJA	Bureau of Justice Assistance
BJS	Bureau of Justice Statistics
BMBL	Biosafety in Microbiological and Biomedical Laboratories
BMDO	Ballistic Missile Defense Organization
BOB	Bureau of the Budget
BOP	Federal Bureau of Prisons
BPA	Bonneville Power Administration
BPP	Bureau Performance Plan
BPS	Budget Preparation System
BRAC	Base Realignment and Closure
BRD	Budget Review Division
BSA	Bank Secrecy Act of 1970
BSD	Business Services Division
BXA	Bureau of Export Administration

## C

C&SA	Counterintelligence and Security Activity
C/B	Chemical/Biological
C4	Command, Control, Communications, and Computers
C4I	Command, Control, Communications, Computers, and Intelligence
C4ISR	Command, Control, Communications, Computers, Intelligence, Surveillance, and

	Reconnaissance
CAG	Cost Analysis Group
CAIG	Cost Analysis Improvement Group
CAP	Cooperative Agreement Program
CAP	Crisis Action Planning
CARD	Cost Analysis Requirements Description
CBJB	Congressional Budget Justification Book
CBO	Congressional Budget Office
CBRDT	Chemical/Biological Rapid Deployment Team
CBS	Cheney-Baker-Scowcroft
CCIPS	Computer Crime and Intellectual Property Section
CCP	Consolidated Cryptologic Program
CDA	Congressionally-Directed Action
CDC	Centers for Disease Control and Prevention
CDC/W	Centers for Disease Control and Prevention/Washington Office
CDP	Center for Domestic Preparedness
CEA	Council of Economic Advisors
CEB	Chief of Naval Operations Executive Board
CENR	Committee on Environment and Natural Resources
CENTCOM	United States Central Command
CEQ	Council on Environmental Quality
CFA	CINC Field Assessments
CFATF	Caribbean Financial Action Task Force
CFO	Chief Financial Officer
CFR	Code of Federal Regulations
CGARC	Coast Guard Acquisition Review Council
CGLC	Coast Guard Leadership Council
CGULLS	Coast Guard Universal Lessons Learned System
CHAMPUS	Civilian Health and Medical Program of the Uniformed Services
CIA	Central Intelligence Agency
CIAO	Critical Infrastructure Assurance Office
CIAP	Central Intelligence Agency Program
CICG	Critical Infrastructure Coordination Group
CINC	Commander-in-Chief
CINC	Commander-in-Chief, U.S. Strategic Command
STRATCOM	Commander-in-Chief, Atlantic Fleet
CINCLANTFLT	Chief Information Officer
CIO	Critical Infrastructure Protection
CIP	Critical Incident Response Group
CIRG	C4I Integration Activity
CISA	Committee on International Science, Engineering, and Technology
CISET	Computer Investigations and Infrastructure Threat Assessment Center
CITAC	Chairman, Joint Chiefs of Staff
CJCS	Chairman, Joint Chiefs of Staff Instructions
CJCSIs	Criminal Justice Information Services
CJIS	Congressional Liaison and Program Research and Evaluation
CLPRE	Community Management Account

CMC	Commandant of the Marine Corps
CMO	Central MASINT Office
CMS	Community Management Staff
CNAD	Conference of National Armaments Directors
CNO	Chief of Naval Operations
CNS	Committee on National Security
COA	Course of Action
COG	Continuity of Government
ComSci	Commerce, Science, and Technology Fellowship Program
COMSEC	Communications Security
COMUSMARD	Commander of the U.S. Maritime Defense Zone, Atlantic
EZLANT	
CONOPS	Concept of Operations
CONPLAN	Concept Plan
CONUS	Continental United States
COOP	Continuity of Operations
COPS	Community Oriented Policing Services
CPA	Chairman's Program Assessment
CPBS	Capabilities Programming and Budgeting System
CPG	Contingency Planning Guidance
CPR	Chairman's Program Recommendation
CR	Continuing Resolution
CRD	Capstone Requirements Document
CRES	Collection Requirements and Evaluation Staff
CRGR	Committee to Review Generic Requirements
CRITIC	Critical Information
CRS	Community Relations Service
CRS	Congressional Research Service
CRS	Current Readiness System
CS	Combat Support
CS	Committee on Science
CSA	Chief of Staff of the Army
CSA	Combat Support Agency
CSG	Counterterrorism Security Group
CSO	Court Security Officer
CSP	Country Strategic Plan
CSS	Central Security Service
CSS	Combat Service Support
CTAC	Counter-Drug Technology Assessment Center
CTBT	Comprehensive Test Ban Treaty
CTC	Computer and Telecommunications Coordinator
CTR	Cooperative Threat Reduction Program
CTS	Cryptologic Training System
CWC	Chemical Weapons Convention
D	<b>D</b>
DA	Deputy Secretary of State
DA GARDEN	Directorate of Administration
	Department of the Army Civil Disturbance Plan

PLOT	
DA&M	Director of Administration and Management
DAB	Defense Acquisition Board
DAD	Deputy Associate Directors
DAE	Defense Acquisition Executive
DAES	Defense Acquisition Executive Summary
DAO	Defense Attaché Office
DAPNSA	Deputy Assistant to the President for National Security Affairs
DARPA	Defense Advanced Research Projects Agency
DASD	Deputy Assistant Secretary of Defense
DC	Deputies Committee of the National Security Council
DC/CM	Deputies Committee/Crisis Management
DCAA	Defense Contract Audit Agency
DCC	Detroit Computing Center
DCI	Director of Central Intelligence
DCID	Director of Central Intelligence Directive
DCMC	Defense Contract Management Command
DDC	Defense Distribution Center
DDCI	Deputy Director of Central Intelligence
DDCI/CM	Deputy Director of Central Intelligence/Community Management
DDI	Deputy Director for Intelligence
DDP	Detention and Deportation Program
DDR&E	Director of Defense Research and Engineering
DDS&T	Deputy Director of Science and Technology
DEA	Drug Enforcement Administration
DeCA	Defense Commissary Agency
DEPOPDEPS	Deputy Operations Deputies
DEPSECDEF	Deputy Secretary of Defense
DEST	Domestic Emergency Support Team
DFAS	Defense Finance and Accounting Service
DGIAP	Defense General Intelligence and Applications Program
DHAP-IRS	Division of HIV/AIDS Prevention-Intervention, Research, and Support
DHAP-SE	Division of HIV/AIDS Prevention-Surveillance and Epidemiology
DHL	Bureau of Democracy, Human Rights, and Labor
DI	DIRECTORATE FOR INTELLIGENCE PRODUCTION
DI	DIRECTORATE OF INTELLIGENCE
DIA	Defense Intelligence Agency
DIO	Defense Intelligence Officer
DISA	Defense Information Systems Agency
DisCom2	Distance Computing and Distributed Computing for Weapon Simulation
DJ-8	Director for Force Structure, Resources, and Assessments
DJS	Director, Joint Staff
DLA	Defense Logistics Agency
DLS	Division of Laboratory Systems
DLSA	Defense Legal Services Agency
DLSC	Defense Logistics Support Command
DMAT	Disaster Medical Assistance Team

DNSC	Defense National Stockpile Center
DO	Directorate of Operations
DoC	Department of Commerce
DoD	Department of Defense
DoDD	Department of Defense Directive
DoE	Department of Energy
DoI	Department of the Interior
DoJ	Department of Justice
DOMS	Directorate of Military Support
DoN	Department of the Navy
DoS	Department of State
DoT	Department of Transportation
DOTMLP	Doctrine, Organizations, Training, Materiel, Leadership, and People
DP	Directorate for Policy Support
DPAG	Defense Planning Advisory Group
DPG	Defense Planning Guidance
DPHS	Division of Public Health Systems
DPOSD	Deployed Port Operations, Security and Defense
DPP	Defense Program Projection
DPSB	Department of the Navy Program Strategy Board
DR	Directed Research
DRB	Defense Resources Board
DRI	Defense Reform Initiative
DRM	DAB Review Meeting
DRMS	Defense Reutilization and Marketing Service
DRU	Direct Reporting Unit
DS&T	Directorate of Science and Technology
DSAA	Defense Security Assistance Agency
DSB	Defense Science Board
DSCA	Defense Security Cooperation Agency
DSS	Defense Security Service
DSTDp	Division of Sexually Transmitted Diseases Prevention
DSW	Directed Stockpile Work
DTB	Defense Technology Board
DTBE	Division of Tuberculosis (TB) Elimination
DTRA	Defense Threat Reduction Agency
DUF6	Depleted Uranium Hexafluoride
DUSD	Deputy Under Secretary of Defense
DWCF	Defense Working Capital Fund

## E

E	Under Secretary of State for Economic, Business, and Agricultural Affairs
E/DRB	Expanded Defense Resources Board
EAA	Export Administration Act
EAC	Executive Associate Commissioner
EAF	Expeditionary Aerospace Force
EARB	Export Administration Review Board
EB	Economics and Business Bureau
EBRD	European Bank for Reconstruction and Development

EDA	Economic Development Administration
EDD	Economic Development Districts
EDIC	Economic Development Information Clearinghouse
EDO	Executive Director for Operations
EE	Export Enforcement
EEIB	Economic Executives' Intelligence Brief
EEO	Equal Employment Opportunity
EIAP	Economic Intelligence Advisory Panel
EID	Emerging Infectious Diseases
EIP	Emerging Infections Program
EIS	Epidemic Intelligence Service
ELC	Epidemiology and Laboratory Capacity
EMS	Emergency Medical Services
EO	Executive Order
EOC	Emergency Operations Center
EONS	Executive Office for National Security
EOP	Executive Office of the President
EPA	Environmental Protection Agency
EPCA	Energy Policy and Conservation Act (1975)
EPCI	Enhanced Proliferation Control Initiative
EPIC	El Paso Intelligence Center
EPO	Epidemiology Program Office
EPSCoT	Experimental Program to Stimulate Competitive Technology
ER	Exploratory Research
ERG	Executive Review Group (SSP)
ERLE	Energy-Related Laboratory Equipment
ERT	Emergency Response Team
ERULF	Energy Research Undergraduate Laboratory Fellowship
ESF	Emergency Support Function
ESG	Explosives Study Group
ESP	Enhanced Surveillance Program
EU	European Union
EUCOM	United States European Command
EXCOM	Executive Committee
ExComm	Executive Committee (in the context of Presidential Decision Directive 56)
EXDIR	Executive Director
ExDir/ICA	Executive Director/Intelligence Community Affairs

## F

FA	Finance and Administration
FAA	Federal Aviation Administration
FACA	Federal Advisory Committee Act
FAM	Foreign Affairs Manual
FATF	Financial Action Task Force
FBI	Federal Bureau of Investigation
FBIHQ	Federal Bureau of Investigation Headquarters
FCC	Federal Communications Commission
FCIP	Foreign Counterintelligence Program
FCO	Federal Coordinating Officer

FDA	Food and Drug Administration
FDDC	Foreign Denial and Deception Committee
FEMA	Federal Emergency Management Agency
FERC	Federal Energy Regulatory Commission
FG	Fiscal Guidance
FIA	Federal Insurance Administration
FinCEN	Financial Crimes Enforcement Network
FMP	Bureau of Finance and Management
FMP	Fisheries Management Plan
FMRO	Foreign Military Rights Office
FOA	Field Operating Agency
FOA	Forward Operating Agency
FOIA	Freedom of Information Act
FORSCOM	U.S. Army Forces Command
FOSC	Federal On-Scene Coordinator
FPC	Federal Preparedness Circular
FRN	FEMA Radio Network
FRP	Federal Response Plan
FSO	Foreign Service Officer
FTE	Full Time Equivalent
FY	Fiscal Year
FYDP	Future Years Defense Plan

## G

G	Under Secretary of State for Global Affairs
GAO	General Accounting Office
GATT	General Agreement on Tariffs and Trade
GC	General Counsel
GDIP	General Defense Intelligence Program
GDO	General Defense Operations
GER	Global Expertise Reserve
GPRA	Government Performance Review Act
GSA	General Services Administration

## H

HASC	House Armed Services Committee
HAZMAT	Hazardous Materials
HDC	Harbor Defense Commander
HEU	Highly enriched uranium
HEU	Highly-Enriched Uranium
HHS	Department of Health and Human Services
HHS/OEP	Health and Human Services/Office of Emergency Preparedness
HIDTA	High Intensity Drug Trafficking Area
HMO	Health Management Organization
HNSC	House National Security Committee
HPSCI	House Permanent Select Committee on Intelligence
HQDA	Headquarters, Department of the Army
HRM	Human Resource Management
HSI	Hispanic Serving Institutions

HUD	Department of Housing and Urban Development
HUMINT	Human Intelligence
	<b>I</b>
IA	Import Administration
IAEA	International Atomic Energy Agency
IASP	International Affairs Strategic Plan
IBES	Intelligence Budget Estimate Submission
IBRD	International Bank for Reconstruction and Development
IC	Intelligence Community
IC/CIO	Intelligence Community/Chief Information Officer
IC/DC	Intelligence Community Deputies Committee
IC/EXCOM	Intelligence Community Executive Committee
IC/PC	Intelligence Community Principals Committee
IC21	Intelligence Community in the 21 <sup>st</sup> Century
ICAs	Intelligence Community Assessments
ICB	Intelligence Community Brief
ICBM	Intercontinental Ballistic Missile
ICCS	International Crime Control Strategy
ICF	Inertial Confinement Fusion
ICITAP	International Criminal Investigative Training Assistance Program
IDB	Inter-American Development Bank
IDCA	International Development Cooperation Agency
IEA	International Energy Agency
IEC	International Emergency Cooperation Program (DoE)
IG	Inspector General
ILF	International Litigation Fund
IM	Information Management
IM	Intelligence Memorandum
IMINT	Imagery Intelligence
INA	Immigration and Nationality Act
INF	Intermediate-Range Nuclear Forces
INFOSEC	Information Systems Security
ING	International Notification Group
INL	Bureau for International Narcotics and Law Enforcement
INPHO	Information Network for Public Health Officials
INS	Immigration and Naturalization Service
INTERPOL	International Criminal Police Organization
INTERPOL-USNCB	International Criminal Police Organization-United States National Central Bureau
IO	Intelligence Operations
IOB	Intelligence Oversight Board
IOTC	Information Operations Technology Center
IPBD	Intelligence Program Budget Decision
IPDM	Intelligence Program Decision Memorandum
IPL	Integrated Priority List
IPOM	Intelligence Program Objective Memorandum
IPP	Initiatives for Proliferation Prevention
IPRG	Intelligence Program Review Group

IPT	Integrated Process Team (also Integrated Product Team)
IPTF	Infrastructure Protection Task Force
IR	Intelligence Report
IRAC	The Interdepartmental Radio Advisory Committee
IRS	Internal Revenue Service
ISA	International Security Affairs
ISD	Investigative Services Division
ISR	Intelligence, Surveillance, and Reconnaissance
IT	Information Technology
IT	Inland Transportation
ITA	International Trade Administration
ITC	Information Technology Center
ITS	Institute for Telecommunication Sciences
ITU	International Telecommunication Union
ITWG	Infotech Training Working Group
IWG	Interagency Working Group

## J

JAAR	Joint After Action Report
JAARS	Joint After Action Reporting System
JAEIC	Joint Atomic Energy Intelligence Committee
JCLL	Joint Center for Lessons Learned
JCS	Joint Chiefs of Staff
JCS Pubs	Joint Chiefs of Staff Publications
JET	Judgement Enforcement Teams
JFCOM	United States Joint Forces Command
JFMCC	Joint Force Maritime Component Commander
JIATF	Joint Interagency Task Force
JIC	Joint Information Center
JITC	Joint Intelligence Training Center
JMET	Joint Mission Essential Task
JMETL	Joint Mission Essential Task List
JMIC	Joint Military Intelligence College
JMIP	Joint Military Intelligence Program
JMITC	Joint Military Intelligence Training Center
JMRR	Joint Monthly Readiness Review
JNA	Joint Net Assessment
JOA	Joint Operational Architecture
JOC	Joint Operations Center
JOPES	Joint Operational Planning and Execution System
JPD	Joint Planning Document
JPG	Joint Planning Guidance
JRAC	Joint Rear Area Commander
JRB	Joint Requirements Board
JROC	Joint Requirements Oversight Council
JRS	Joint Reporting System
JSCP	Joint Strategic Capabilities Plan
JSD	Judicial Security Division
JSPS	Joint Strategic Planning System

JSR	Joint Strategy Review
JTASC	Joint Training, Analysis, and Simulation Center
JTF	Joint Task Force
JTP	Joint Training Plan
JTS	Joint Training System
JTTF	Joint Terrorism Task Force
JTTPS	Joint Tactics, Techniques, and Procedures
JWC4SI	Joint Warfare C4 Systems Integrator
JWCA	Joint Warfighting Capability Assessment
JWFC	Joint Warfighting Center

## **K**

KDP	Key Decision Point
KPP	Key Performance Parameters

## **L**

LANL	Los Alamos National Laboratory
LANTAREA	Atlantic Area
LDRD	Laboratory-Directed Research and Development
LEDET	Law Enforcement Detachment
LEO	Law Enforcement On-line
LEO	Life Extension Option
LEP	Life Extension Program
LEU	Low enriched uranium
LEU	Low-Enriched Uranium
LFA	Lead Federal Agency
LLCE	Limited Liability Component Exchange
LLNL	Lawrence Livermore National Laboratory

## **M**

MA	Mission Assignment
MAA	Mission Area Assessment
MAC	Market Access and Compliance
MACOM	Major Command (Army)
MAJCOM	Major Command (Air Force)
MARFOLANT	Marine Corps Forces Atlantic
MARFOPAC	Marine Corps Forces Pacific
MASINT	Measurement and Signature Intelligence
MBB	Mission-Based Budgeting
MBI	Major Budget Issue
MC	Military Characteristics
MDAP	Major Defense Acquisition Programs
MDEP	Management Decision Package
MDZ	Maritime Defense Zone
MEC	Manufacturing Extension Centers
MET	Mobile Enforcement Team
METL	Mission Essential Task List
MFA	Major Focus Area
MIB	Military Intelligence Board
MLC	Maintenance and Logistics Command
MLSA	Money Laundering Suppression Act of 1994

MMRS	Metropolitan Medical Response System
MMST	Metropolitan Medical Strike Team
MMWR	Morbidity and Mortality Weekly Report
MNS	Mission Needs Statement
MOA	Memorandum of Agreement
MOU	Memorandum of Understanding
MPC&A	Materials Protection, Control & Accounting
MPP	Mission Performance Plan
MSCD	Military Support of Civil Defense
MSIC	Missile and Space Intelligence Center
MTCR	Missile Technology Control Regime
	<b>N</b>
NAFTA	North America Free Trade Agreement
NASA	National Aeronautics and Space Administration
NATO	North Atlantic Treaty Organization
NAVGARD	Navy-Coast Guard
NCA	National Command Authority
NCC	Naval Component Commander
NCEH	National Center for Environmental Health
NCHS	National Center for Health Statistics
NCHSTP	National Center for HIV, Sexually Transmitted Diseases (STD) and Tuberculosis (TB) Prevention
NCI	Nuclear Cities Initiative
NCIC	National Crime Information Center
NCID	National Center for Infectious Diseases
NCIPC	National Center for Injury Prevention and Control
NCJRS	National Criminal Justice Reference Service
NCP	National Contingency Plan
NCP	National Oil and Hazardous Substances Pollution Contingency Plan
NCS	National Communications System
NCS	National Cryptologic School
NCW	Naval Coastal Warfare
NCWC	Naval Coastal Warfare Commander
NDIC	National Drug Intelligence Center
NDMS	National Disaster Medical System
NDPO	National Domestic Preparedness Office
NDU	National Defense University
NE	Office of Nuclear Energy, Science, and Technology
NEA	Nuclear Energy Agency
NEC	National Economic Council
NEC	Nonproliferation and Export Control Cooperation Team
NERAC	Nuclear Energy Research Advisory Committee
NEWS	Numeric Environment for Weapon Simulations
NFIB	National Foreign Intelligence Board
NFIP	National Foreign Intelligence Program
NGB	National Guard Bureau
NGO	Nongovernmental organization
NIC	National Intelligence Council
NICB	National Intelligence Collection Board

NID	National Intelligence Daily
NIE	National Intelligence Estimates
NIF	National Ignition Facility
NIH	National Institutes of Health
NIJ	National Institute of Justice
NIMA	National Imagery and Mapping Agency
NIMAP	National Imagery and Mapping Agency Program
NIO	National Intelligence Officer
NIOSH	National Institute for Occupational Safety and Health
NIP	National Immunization Program
NIPB	National Intelligence Production Board
NIPC	National Infrastructure Protection Center
NIS	Newly Independent States
NIST	National Institute of Standards and Technology
NLECTC	National Law Enforcement and Corrections Technology Center
NLETS	National Law Enforcement Telecommunications System
NLLS	Navy Lessons Learned System
NMCC	National Military Command Center
NMCS	National Military Command System
NMJIC	National Military Joint Intelligence Center
NMS	National Military Strategy
NMSS	Nuclear Material Safety and Safeguards
NMT	Office of Nuclear and Missile Technology Controls
NN	Office of Nonproliferation and National Security (DoE)
NN-30	Office of International Nuclear Safety and Cooperation (DoE)
NN-40	Office of Arms Control and Nonproliferation (DoE)
NN-50	Office of International Materials Protection and Emergency Cooperation (DoE)
NNSA	National Nuclear Security Administration
NPAC TWG	Nonproliferation and Arms Control Technology Working Group
NPR	Nuclear Posture Review
NRC	National Response Center
NRC	Nuclear Regulatory Commission
NRO	National Reconnaissance Office
NRP	National Reconnaissance Program
NRR	Nuclear Reactor Regulation
NRT	National Response Team
NSA	National Security Agency
NSAP	National Security Advisory Panel
NSC	National Security Council
NSC/DC	National Security Council/Deputies Committee
NSC/PC	National Security Council/Principals Committee
NSCS	National Security Council Staff
NSG	Nuclear Suppliers Group
NSOC	National Security Operations Center
NSR	National Security Review
NSRL	National SIGINT Requirements List
NSRS	National SIGINT Requirements System
NSS	National Security Strategy
NSTC	National Science and Technology Council

NSTL	National Security Threat List
NTC	National Firearms Tracing Center
NTIA	National Telecommunications and Information Administration
NTIS	National Technical Information Service
NTS	Nevada Test Site
NVPO	National Vaccine Program Office
NWC	Nuclear Weapons Council
NWSP	Nuclear Weapons Stockpile Plan

## O

O&M	Operations and Maintenance
OAC	Office of Antiboycott Compliance
OAS	Organization of American States
OASH	Office of the Assistant Secretary of Health
OBMS	Office of Budget and Management Services
OC	Operating Committee
OCA	Office of Congressional Affairs
OCC	Office of the Chief Counsel
OCDETF	Organized Crime Drug Enforcement Task Force
ODCI	Office of the Director of Central Intelligence
OEA	Office of Export Administration
OEE	Office of Export Enforcement
OEP	Office of Emergency Preparedness
OES	Bureau for Oceans, Environment, and Science
OE XS	Office of Exporter Services
OFAC	Office of Foreign Assets Control
OFO	Office of Field Operations
OGH	Office of Global Health
OIA	Office of International Affairs
OIAP	Office of Investigative Agency Policies
OICC	Operational Intelligence Crisis Center
OIG	Office of the Inspector General
OIPR	Office of Intelligence Policy and Review
O IPT	Overarching Integrated Product Teams
OJP	Office of Justice Programs
OLE	Office of Legal Education
OL ES	Office of Law Enforcement Standards
OMB	Office of Management and Budget
OND CP	Office of National Drug Control Policy
OPA	Office of Public Affairs
OPBRE	Office of Programs, Budget, Research, and Evaluation
OPCM	Office of Policy Coordination and Management
OPDAT	Overseas Prosecutorial Development, Assistance, and Training
OPDEPS	Operations Deputies
OPIC	Overseas Private Investment Corporation
OPLAN	Operations Plan
OPORD	Operations Order
OPPE	Office of Program Planning and Evaluation
OPR	Office of Primary Responsibility

OPS	Office of Policy Support
OPSDEP	Operations Deputy
OPTEMPO	Operating Tempo
ORD	Operational Requirements Document
OSC	Office of Space Commercialization
OSC	On-Scene Commander
OSC	Operations Support Center
OSCE	Organization for Security and Cooperation in Europe
OSD	Office of the Secretary of Defense
OSD/PA&E	Office of the Secretary of Defense/Program Analysis & Evaluation
OSLDPS	Office for State and Local Domestic Preparedness Support
OSM	Office of Spectrum Management
OST	Office of the Secretary of Transportation
OSTP	Office of Science and Technology Policy
OT&E	Operational Test and Evaluation
OTI	Office of Transnational Issues
OTIA	Office of Telecommunications and Information Applications
OTP	Office of Technology Policy

## P

P	Under Secretary of State for Political Affairs
P&PD	Production & Planning Directive
P.L.	Public Law
PA&E	Program Analysis and Evaluation
PA&EO	Program Assessment and Evaluation Office
PACAF	Pacific Air Forces
PACOM	United States Pacific Command
PAD	Program Associate Director
PASS	President's Analytic Support Staff
PB	President's Budget
PBC	Program and Budget Committee
PBD	Presidential Budget Decision
PC	Principals Committee of the National Security Council (see also NSC/PC)
PCAST	President's Committee of Advisors on Science and Technology
PCG	Peacekeeping Core Group
PCP	Product Change Proposals
PDB	President's Daily Brief
PDD	Presidential Decision Directive
PDM	Program Decision Memorandum
PDRC	Program Development Review Committee
PDUSD(A&T)	Principal Deputy Under Secretary for Acquisition and Technology
PE	Program Element
PEM	Program Element Monitors
PEO	Program Executive Officer
PFIAB	President's Foreign Intelligence Advisory Board
PGDB	Prevention Guidelines Database
PH	Port Handling
PHPPO	Public Health Practice Program Office
PHS	Public Health Service

PHTN	Public Health Training Network
PM	Bureau of Political-Military Affairs
PM	Program Manager
PMA	Power Marketing Administration
PME	Performance Measures of Effectiveness
PNGV	Partnership for a New Generation of Vehicles
PO	Program Operations
POG	Program Officer Group
POLAD	Political Advisor
Pol-Mil	Political-Military
POM	Program Objective Memoranda
PP&O	Plans, Programs, and Operations
PPBS	Planning, Programming and Budgeting System
PRA	Primary Review Authority
PRC	Program Review Committee
PRD	Presidential Review Directive
PRG	Program Review Group
PRM	Bureau of Population, Refugees, and Migration
PSD	Prisoner Services Division
PSG	Prioritization Steering Group
PSU	Port Security Unit
PVO	Private voluntary organization
PWG	POM Working Group

## Q

QART	Quality Assurance Reliability Testing
QDR	Quadrennial Defense Review
QFR	Questions for the Record
QRRC	Quarterly Readiness Report to Congress

## R

R&D	Research & Development
R4	Results Report and Resource Request
RC	Reserve Components
RDT	Rapid Deployment Team
RDT&E	Research and Development and Test and Evaluation
RHA	Regional Health Administrator
RISS	Regional Information Sharing Systems
RMA	Revolution in Military Affairs
RMO	Resource Management Office
ROC	Regional Operations Center
RPPO	Requirements, Plans, and Policy Office
RRF	Ready Reserve Force
RSOC	Regional Security Operations Centers
RTBF	Readiness in Technical Base and Facilities

## S

S	Secretary of State
S&T	Science & Technology
S&TR	Strategy and Threat Reduction
S/P	Office of Policy Planning

S/RPP	Office of Resources, Plans, and Policy
S/S-EX	Executive Office, Office of the Secretary of State
S/S-O	Operations Center, Office of the Secretary of State
S/S-S	Secretariat, Office of the Secretary of State
SAC	Special Agent in Charge
SACEUR	Supreme Allied Commander Europe
SACLANT	Supreme Allied Commander Atlantic
SAE	Service Acquisition Executive
SAMHSA	Substance Abuse and Mental Health Services Administration
SAP	Statement of Administration Policy
SAR	Search and Rescue
SASC	Senate Armed Services Committee
SAT	Stockpile Assessment Team
SCC	Service Cost Center
SCE	Service Cryptologic Elements
SCG	Special Coordination Group
SCM	Security Counter Measures
SECDEF	Secretary of Defense
SEIB	Senior Executive Intelligence Brief
SELCOM	Select Committee
SEPA	Southeastern Power Administration
SES	Senior Executive Service
SFI	Significant Finding Investigation
SIES	Office of Strategic Industries and Economic Security
SIGINT	Signal Intelligence
SIOC	Strategic Information Operations Center
SIOP	Single Integrated Operational Plan
SIR	Special Intelligence Report
SLEP	Stockpile Life Extension Program
SLOC	Sea Line of Communications
SMDP	Sustainable Management Development Program
SNL	Sandia National Laboratories
SNM	Special Nuclear Material
SO/LIC	Special Operations and Low Intensity Conflict
SOAL	Special Operations/Acquisition and Logistics
SOCM	Sense of the Community Memorandum
SOCOM	United States Special Operations Command
SOCS	Special Operations/Command Support
SOG	Special Operations Group
SOIO	Special Operations/Intelligence and Information Operations
SOOP	Special Operations/Operations, Plans, and Policy
SORR	Special Operations/Requirements and Resources
SORTS	Status of Resources and Training System
SOUTHCOM	United States Southern Command
SPACECOM	United States Space Command
SPC	Strategy and Planning Committee
SPIN	Strategic Planning Information Network
SPR	Strategic Petroleum Reserve

SROC	Senior Readiness Oversight Council
SSBN	Ballistic Missile Submarine
SSC	Structures, Systems, & Components
SSCI	Senate Select Committee on Intelligence
SSP	Stockpile Stewardship Program
START	Strategic Arms Reduction Treaty
START	Strategic Arms Reduction Treaty
STFPC	Office of Strategic Trade and Foreign Policy Controls
STIC	Scientific and Technical Intelligence Committee
USSTRATCOM	United States Strategic Command
STS	Stockpile-to-Target Sequence
SWARF	Senior Warfighting Forum
SWAT	Special Weapons and Tactics
SWPA	Southwestern Power Administration

## T

T	Under Secretary of State for Arms Control and International Security
TA	Technology Administration
TACON	Tactical Control
TAE	Transportation Acquisition Executive
TAM	Transportation Acquisition Manual
TCR	Technical Certification Report
TD	Trade Development
TEP	Theater Engagement Plan
TIARA	Tactical Intelligence and Related Activities
TLAM	Tomahawk Land Attack Missile
TOA	Total Obligation Authority
TPCC	Trade Promotion Coordinating Committee
TPFDD	Time-Phased Force and Deployment Data
TRADOC	U.S. Army Training and Doctrine Command
TRANSCOM	United States Transportation Command
TRO	Training and Readiness Oversight
TSARC	Transportation Review Council
TSARC	Transportation Systems Acquisition Review Council
TSWG	Technical Support Working Group
TVA	Tennessee Valley Authority

## U

UAV	Unmanned Aerial Vehicle
UC	University of California
UCP	Unified Command Plan
UJTL	Universal Joint Task List
UN	United Nations
UNAAF	Unified Action Armed Forces
US&FCS	U.S. and Foreign Commercial Service
USACOM	U.S. Atlantic Command [now U.S. Joint Forces Command (USJFCOM)]
USAFFE	U.S. Air Forces in Europe
USAID	U.S. Agency for International Development
USASC	U.S. Army Safety Center
USC	United States Code

USCG	United States Coast Guard
USCINCLANT	U.S. Commander-in-Chief, Atlantic
USCINCPAC	U.S. Commander-in-Chief, Pacific
USD(A&T)	Under Secretary of Defense for Acquisitions & Technology
USD(C)	Under Secretary of Defense (Comptroller)
USD(P&R)	Under Secretary of Defense for Personnel and Readiness
USD(P)	Under Secretary of Defense for Policy
USFA	United States Fire Administration
USIA	United States Information Agency
USJFCOM	United States Joint Forces Command
USISTC	U.S.-Israel Science and Technology Commission
USITC	United States International Trade Commission
USMS	United States Marshals Service
USSOCOM	U.S. Special Operations Command
USSPACECOM	United States Space Command
USSTRATCOM	United States Strategic Command
USTR	U.S. Trade Representative
USTRANSCOM	United States Transportation Command

## V

V&V	Validation and Verification
VCJS	Vice Chairman, Joint Chiefs of Staff
VCSA	Vice Chief of Staff of the Army
VDJS	Vice Director, Joint Staff

## W

WAPA	Western Power Administration
WCF	Working Capital Fund
WITSEC	Witness Security Program
WMD	Weapons of Mass Destruction
WMDPG	Weapons of Mass Destruction Preparedness Group
WSSIC	Weapons and Space Systems Intelligence Committee